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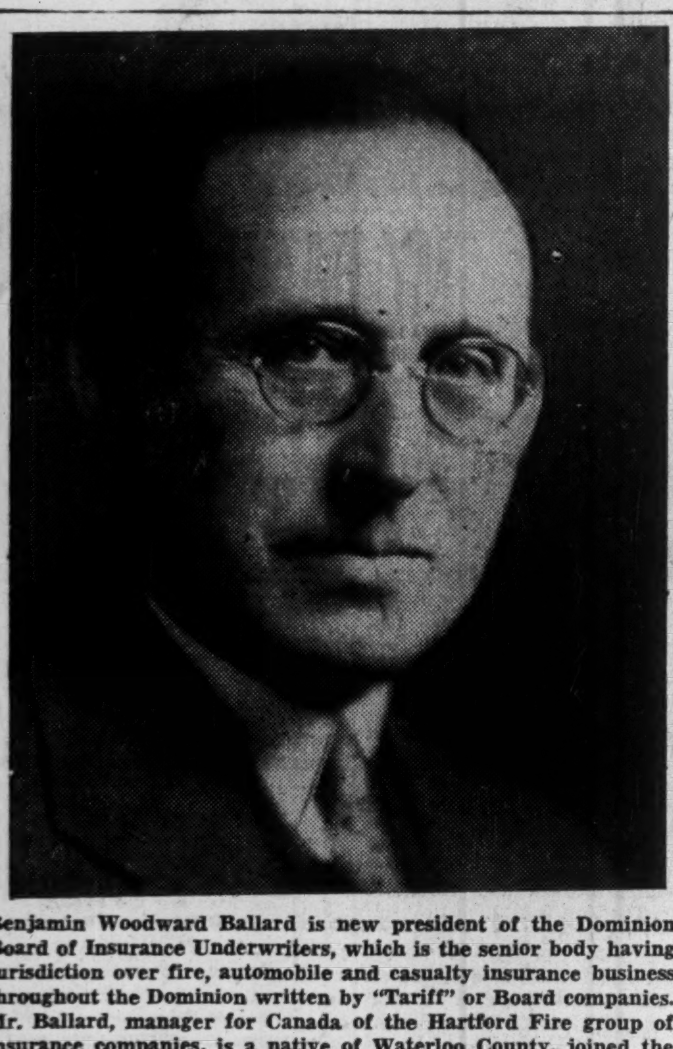
He Heads Underwriters



Benjamin Woodward Ballard is new president of the Dominion Board of Insurance Underwriters, which is the senior body having jurisdiction over fire, automobile and casualty insurance business throughout the Dominion written by "Tariff" or Board companies. Mr. Ballard, manager for Canada of the Hartford Fire group of insurance companies, is a native of Waterloo County, joined the Hartford Fire Insurance Co. 35 years ago. His main hobby is a farm in the Hockley Valley, north of Orangeville, Ont. He is much interested in forest preservation.

THE NATION'S BUSINESS

Turn Spotlight On Income Tax Returns

Last week the Government filed in the House of Commons a complete record of the number of farmers who filed income tax returns and the number who were eventually assessed for taxes.

As shown elsewhere on this page, this statement discloses these facts:

1. In the past five fiscal years some 251,000 income tax returns have been filed by Canadian farmers; of these 42% were in the last year reported, 1944-45.

2. Of these 251,000 tax returns, some 65,800 were found to be assessable or subject to tax.

3. Of these 65,800 less than half, or 30,200, had been actually assessed for tax up to March, 1945.

4. In 1944-45 only 800 farmers filed tax returns in Quebec, only 103 in New Brunswick and 369 in Nova Scotia. This compares with 29,000 in Ontario, 489 in Prince Edward Island and 70,000 in the three Prairie Provinces.

5. In the last period for which information is available (year ending March 31, 1945) there were about 105,000 farmers who filed income tax returns, of whom 29,000 so far (about one in four) have been found to be assessable. Of the latter only about half had their returns finally cleared by March 31, 1945.

What is the meaning of these figures?

First, they show a distinct improvement in the number of farmers now filing income tax returns in several provinces of Canada. In the five years prior to the war, between 5,000 and 9,000 farmers annually were filing income tax returns. But since 1940 and especially after 1944 when The Financial Post first drew attention to the situation, the number has risen sharply. It has now reached the point where one farmer in seven files a report.

This is a substantial improvement, but unfortunately it is not general in all parts of the country. Thus Quebec, which in 1945 received $135 out of every $1,000 worth of cash farm income, contributed only eight of every 1,000 farm tax returns filed.

Admittedly on the smaller and mixed farms of eastern Canada the average cash income will be much less than in the richer areas in western Ontario or the southern prairies in seasons of good wheat crops. But after generous allowance for these differences there still appears a glaring inequality in the tax paid by farmers in the two areas. Certainly the official figures prove that the western farmers are bearing the great brunt of the load.

Far from The Financial Post's mind is any "soak the farmer" campaign. Considering his investment in work and capital, and the risks he runs, he deserves every consideration that will enable him to have an income. The point has to do with the system of taxation and the manner of its administration.

Does the same apparent variance in tax assessment apply in other fields?

Granted that farmer tax returns are more complicated than those of other personal income taxpayers, granted also that the number of farmer returns has been increasing, nevertheless there is still cause for grave questioning of this record of poor management, if not unfairness, on the part of a department of government handling this year some $1.5 billions of taxpayers' money.

Parliament should demand and obtain very promptly, similar figures for all types of personal taxpayer and for individual types of corporate taxpayer to see just what the over-all picture of tax assessments really looks like.

* * *

McTague Points the Way

Last week the importance to all security dealers of seeing that each and every stock deal should not bring discredit to the "street" was stressed again. This time it was by Charles P. McTague, Chairman of Ontario Securities Commission speaking before the annual meeting of the Investment Dealers' Association.

For years The Financial Post has urged a clean-up of the stock racket situation. The Post has constantly stressed the point that the unsavory methods of a few operators threatened the prestige of all and hurt the country's investment reputation at home and outside.

Too often, bond dealers and brokers doing a straightforward clean-cut business took the stand that "our skirts are clean. Why should we bother about the other fellow." Only too few realized that the conduct and general government of the street as a whole was of very definite and important interest to all.

Said Mr. McTague:

> "Your business depends on public confidence. You may think you will continue to enjoy that confidence no matter what goes on in financial circles on the rest of the 'street.' I give you my assurance based on the mail I receive daily that such is not the case.
>
> "The investor who is involved in a securities transaction where he has been defrauded or has been sold by high-pressure methods, loses confidence in the 'street' as a whole. His reaction is that he was burned on Bay Street and he does not propose to be burned again."

Mr. McTague also suggested that the scrutiny which the Securities Exchange Commission in the United States gives Canadian issues may be attributed to the "wholesale and deliberate violations of their security laws by a small coterie of Bay Street security dealers."

Members of the IDA were much impressed with Mr. McTague's argument. They, as well as the public generally, are impressed with the way he is tackling this problem. As a result there seemed to be a unanimous feeling among IDA members at the meeting that the IDA should co-operate wholeheartedly in bringing about a plan of self-policing.

Food Council Of 30 Nations Replaces CFB

OTTAWA (Staff) — Canada, Britain and United States have officially disbanded the Combined Food Board. In its place there was born last week at Washington the International Emergency Food Council, slated to last until the end of 1947.

It is to be run by an executive committee of eight or nine nations, in place of the three-nation Combined Board, the addition being: Australia, China, Denmark, France, India and Argentina. There is some doubt, however, whether the last-named country will take up its membership.

Outside the Committee, at least a score of nations are supposedly members of the new food body. Basis of membership, originally, was whether or not a nation had formerly been represented on individual commodity committees set up earlier by the Combined Food Board. These committees are the important "working body" of emergency world food planning at the present time. Out of their deliberations and studies come recommendations which, it is hoped, will subsequently be implemented by the individual governments involved.

Hon. James Gardiner, Agriculture Minister, is Canada's member on IEFC with Dr. G. S. H. Barton as his alternate. A former Canadian, Dr. D. A. Fitzgerald, 43, has been named secretary general of the Council.

MLHP Holders Reject Quebec Hydro's Offer

MONTREAL (Staff) — Shareholders of Montreal Light, Heat and Power Cons. met is Montreal last week to consider the offer of indemnity recently made by the Quebec Hydro-Electric Commission for the operating assets of their company expropriated on April 15, 1944, by the Quebec Government.

As expected, since the offer was a "minus" one which would cost the shareholders $29.2 millions plus interest, if accepted, the shareholders unanimously rejected it and submitted by resolution to the arbitration board, the whole question of a reasonable valuation for the expropriated assets.

Just when this tribunal will finally be in a position to place a value on the expropriated assets is uncertain, but most sources say that probably nothing can be accomplished before the fall.

Chairman John Norris stated that the Hydro's valuation of M. L. H. & P., operating assets totalling $54,873,500, would mean a $29.2 million encroachment on the residual assets of the company.

This was due, he said, to the fact that the mortgage debt of Montreal Light, Heat and Power (assumed by Quebec Hydro) totalling $84,081,000 would have to be deducted from the offer made by the Quebec Hydro. Mr. Norris compared this valuation to a figure of $135.3 millions (including 10% for forced taking) placed on the expropriated assets of the company recently by a group of engineers and appraisers. After deducting the mortgage debt of the company, this valuation would leave a net of $51.2 millions as the shareholders' equity. The difference between the Hydro offer and the company's appraisal was $80.4 millions, Mr. Norris pointed out, or the difference between $15 per share and $40 per share for Montreal Power common.

Won't Improve Terms of VLA

OTTAWA (Staff)—The Government is expected to turn down flatly the recommendation of one of its own committees for better preferential treatment of veterans about to purchase small holdings from the VLA.

This week the House Committee on Veterans' Affairs recommended that the Government apply its 23.3% cash subsidy on VLA small holdings, to "total cost" of the project, instead of toward a $6,000 cost price as at present. This would have meant that instead of a cash "bonus" to veterans of about $1,400, the figure in many cases might run to $1,800 or $2,000 or more. Cost of such a proposal would greatly exceed the present special vote of $1 million, which was granted by order-in-council to offset excessive and unexpectedly high costs.

The Government is expected to take the stand that this proposal would aggravate the present high premium on this type of assistance, as against other veterans' housing aids. Already there is criticism that veterans who choose this type of home-aid as against Wartime Housing or NHA assistance, are being greatly favored. A further extension as suggested by the committee on motion of E. D. Fulton, M.P., Kamloops, would merely extend this discrimination.

Houses—We Start Lots But Finish How Many?

OTTAWA (Staff) — Unfinished and unfinishable houses—the looming housing catastrophe of 1946—are already beginning to appear across the building horizon.

From this city, contractors are now reported to be leaving their jobs to scour the province for nails. Others are screaming for window glass; for sash or millwork; for soil pipe or electrical fixtures.

What it adds up to is that 75,000 or 100,000 dwellings may be started in Canada this year. But not more than half that number may be finished. The rest may stand empty and unused for lack of equipment or material to complete them.

Best present guess is that the housing shortage will be 20% worse at the end of 1946 than it was at the beginning. The figuring goes like this:

Involuntary doubling-up of Canadian families at the beginning of 1946	150,000
Returning war brides, etc.	30,000
Normal growth in demand	50,000
TOTAL	230,000
Less: new houses built and completed in 1946	50,000
Involuntary doubling-up at end of 1946	180,000

One answer to such a situation might have been the setting up of priorities to prevent misuse of needed building materials in "luxury-type" construction.

Ottawa, it is remembered, threw that ball to the municipalities; few of which have done anything with it. As a result, limited supplies of many very scarce building materials have gone into all manner of projects, not considered by most people as anything like so important as housing accommodation.

Only 3 Rubber Plants Unaffected by Walkout

Mediation on an industry-wide basis was seen as the only hope of immediate solution to the rubber workers' strike called last Monday, as 10 locals of the United Rubber Workers of America (CCL-CIO) stuck to their picket lines in a fight for higher wages and shorter hours.

The strike, called June 24, after a month's postponement involved all but three of Ontario's major rubber companies at midweek. Dunlop Tire & Rubber Goods Co., Viceroy Manufacturing Co. and Kaufman Rubber Co. workers remained on the job. Dunlop employees signed an agreement with that company on the basis of a 7c. per hour increase with three cents additional for "inequalities," while union members at the other two plants agreed to wait for release of the report of Mr. Justice J. C. A. Cameron, government conciliator, before taking further action.

Union leaders this week took pains to point out that the strike had not been called by URWA headquarters. The various locals had voted in favor of strikes in May and had set May 27 as their deadline. Appointment of Mr. Justice Cameron as conciliator on May 23 led URWA to advise its locals not to strike, pending negotiation. However, as a month passed without any report from the conciliator, the union last week end withdrew its advice and left further action up to its locals.

Want Industry Parley

Union spokesmen claimed the conciliation hearings had been a disappointment as negotiations were maintained on a company basis, with local committees and individual companies taking part, whereas they had wanted a meeting between representatives of all companies in the industry and URWA headquarters men.

Reports from Ottawa indicated that the Cameron report might be made on Wednesday and union men believed Labor Minister Mitchell would call a conference between employers and the union to discuss it as soon as it was available. The union hoped this would presage new negotiations on an industry-wide basis.

Company officials in strike-bound plants charged their employees were violating terms of labor control orders in striking before the conciliator's report had been made, and one company maintained that its employees were violating a clause in their collective agreement which forbade either strike action by the workers or a lockout by management.

'Just, Reasonable' Wage Increases Now Authorized

OTTAWA (Staff)—Here is the exact wording of the new "discretionary" authority under which war labor boards may now permit wage rate increases:

"... authorize or direct an employer to increase a single rate or the rates of a range established by him under this Order, or by or pursuant to a direction of the National Board, for an occupational classification of his employees if, and to the extent that the National Board finds that such increased rate or range is just and reasonable, and is consistent with and will give effect to the purposes of this Order, having regard to all the circumstances deemed by it, in its discretion, to be material."

This new and governing clause of Section 20 of PC 9384, is contained in a new wages order (PC 2432) tabled this week in the House by Hon. Humphrey Mitchell. It replaces the old provision of Section 20 whereby wage rates could be increased where prevailing rates were found to be low or where increases were found not inconsistent with "maintenance of existing prices of the goods and services which the employer sells."

Tires to be Scarce Till Fall Is Prediction as Strike Hits

The tire strike caught Canadian dealers with a very low supply of passenger car tires, a survey by The Financial Post discloses. In recent months demand has been so high that dealers and distributors have not been able to build up any supply, it is stated.

Fear of the strike stimulated the demand for passenger car tires in the past couple of weeks. Deliveries have been running from one to two weeks behind orders for the most popular sized tires and there have been no stocks on hand at all, most dealers state.

An increase in the retread business is one result expected from this situation. Just after the stopping of rationing the retreading business dropped almost to nothing, but has been increasing in the past few months with warmer weather and increased driving, dealers state.

Most truck tires are reported available yet, although the supply is said dwindling. Large bus tires are out of stock entirely, one dealer states.

Most dealers still have a supply of inner tubes available for passenger tires but, with no new supplies coming through, do not expect their stocks to last very long.

As the big buying for tires is from May to September and as production is nearly at a standstill as a result of the strike, tires are likely to be in very scarce supply until well on in the fall, it is felt.

Income Tax Machinery Bogs Down As More Farmers Submit Returns

OTTAWA (Staff) — Grave and glaring weakness in income tax system or its administration (or both) are disclosed by returns tabled last week in the House of Commons on the assessment of Canadian farmers for income tax.

In a return asked by G. H. Castleden, of Yorkton, Sask., figures were tabled showing the long-term breakdown of farmer income tax assessments by provinces and by years. Highlights of these returns are shown in adjoining tables. They disclose:

1. A steady and sharply rising flow of farm income tax returns from most parts of Canada.

2. A bogging-down in tax assessment machinery to the point where only half the number of assessable returns in the past five years have been actually cleared through and completed.

3. Wide discrepancies in income tax application in Quebec and the Maritime Provinces as compared with Ontario, the Prairies and B. C.

The over-all picture of farm income tax assessments in Canada as disclosed by these returns is something like this:

Returns Drop Sharply

—Up to the war, not more than 5,000 to 9,000 farmers in Canada were filing annual income tax returns. (The high pre-war point was 9,133 in the year ended March, 1938).

—Since the war, the number of farmers filing returns has sharply increased. Latest available figure (year ended March, 1945), was 105,588 compared with 68,791 the previous year.

—Out of the 251,000 farm tax returns filed in the past five years, only one out of four (26%) was found assessable for tax.

—Out of the 65,800 returns found assessable only 15,700 or 46% had had their tax assessment completed by the department as at March 31, 1945.

The summary figures as reported in Hansard by the Minster of National Revenue and retabulated by The Financial Post are as follows:

Farmer Income-taxpayers in Canada

Fiscal Years Ending Mar. 31:	(A) Number Who Filed Returns	(B) Number Whose Returns were Assessable	(C) Number Assessed for Tax	(C) as (%) of (B) (%)
1935 ...	5,396	620	694	112
1936 ...	6,050	951	921	97
1937 ...	7,854	1,006	1,000	100
1938 ...	9,133	1,311	1,309	100
1940 ...	8,927	1,355	1,721	127
1941 ...	18,918	2,135	1,869	87
1942 ...	29,281	6,775	1,488	22
1943 ...	29,741	7,514	3,569	47
1944 ...	68,791	20,247	7,571	37
1945 ...	104,588	29,129	15,714	54
TAKE IN —				

Thus for Canada as a whole, only 54% of assessable returns were shown as completed in 1944-45. This figure has varied greatly. As shown above, it hit a low of 22% in 1941-42. After being 100% or better in the pre-war years, ability of the department to keep abreast of assessments fell back sharply during the war. In the last five years, only 46% of the assessable returns have actually been completed according to these records.

As well as showing total figures over a considerable number of years, the return also shows in detail and year by year the record of tax assessment on farmers by individual provinces.

Here is the result as disclosed by the return for 1944-45 (latest available):

Provincial Breakdown of Farmer Income Tax
(Year Ending Mar. 31, 1945)

	(A) Number Who Filed Returns	(B) Number Whose Returns were Assessable	(C) Number Actually Assessed for Tax	(C) as % of (B) (%)
P. E. I.	489	191	82	43
N. S. ..	369	222	83	37
N. B. ..	103	37	44	119
Que. ..	800	93	251	270
Ont. ...	28,896	4,544	4,000	90
Man. ..	25,964	7,614	5,562	73
Sask. ..	32,872	[illegible]	[illegible]	[illegible]
Alta. ..	10,051	3,792	1,316	34
B. C. ..	5,044	[illegible]	[illegible]	[illegible]
	104,588	29,129	15,714	54

One obvious deduction from this table is the discrepancy as between income returns in various provinces. Total of those filing income

(Continued on page 5)

U.S. Establishes Steel Priorities For Canadians

OTTAWA (Staff)—Shortage of steel in the United States has already led to a modified "priority" system for Canadian users dependent on U. S. imports.

Directive 66 has gone out from here this week to aid Canadian steel users in getting U. S. requirements where no tonnage is available in Canada. This covers steel for three groups of "critical" products—certain agricultural implements; residential building supplies, and railway brake shoes. It puts steel for these purposes on a preference basis for third quarter needs. It is understood pig iron will be placed in a similar category this week.

The items named include: Types of agricultural machinery needed for harvesting the 1946 crop and for famine relief; steel for bathtubs, sinks, lavatories, warm air furnaces, furnace fittings, steel registers, etc. It is not yet known how far the United States will go toward increasing this preference list.

New Wage Rule Said Too Late

OTTAWA, (Staff)—Labor leaders are sceptical of the Government's new wage order, and of an over-all 10-cent per hour basis for settlement of present and pending strikes in big central and eastern industry.

They argue, "this should have been done six months ago. Had the wage order been then put on a 'discretionary' basis, and had an attempt been made to work out a new 10 cents per hour wage plateau, something might have been done. Now it has been proved by B. C. experience that strike action will bring better terms.

Government answer is that 15 cents on the west coast cannot be considered comparable in eastern Canada. In the west, labor works pretty much as a unit in a timber industry which stretches far down into the United States. Comparable increases for U. S. workers have been double what the Canadian industry has now agreed on as being fair.

Canada 'Another Belgium' In U. S. Air Bases Proposal?

Hear Washington Insists Dominion's Northern Frontier be Fortified — "Atomic Age Maginot Line" Is Feared

By KENNETH R. WILSON

OTTAWA (Staff)—A virtual ultimatum from the United States, calling on Canada to fortify her northern frontier, is reported to have hastened Prime Minister King's return from England this month, and to be causing furrowed brows in cabinet ranks here.

Through its membership on the Permanent Joint Defense Board, the United States is understood to have said in effect to Canada:

"In order to do your part in the defensive protection of the American Arctic, we want you to build, or let us build for you, a system of northern frontier air bases to be maintained and equipped as part of the general defensive machinery of this continent."

To a government which, in 1938, completely repudiated British proposals for establishment here of a United Kingdom air training scheme, this bold and forthright proposition has come with thunderbolt effect. Were it to be implemented in its present form, it would mean that Canada had, in effect, abdicated sovereignty along her northern frontier.

It would mean, in the opinion of some observers, that this country might become another Belgium; that we were being a party to an Atomic Age "Maginot Line." Belgium, it will be remembered, was told by France that she must complete the Maginot Line to the sea; or else let France do it. Germany stormed against Belgium's doing any such thing. The Belgians did nothing, and in 1940 were completely overrun.

Would Be Costly

It is obvious that the motives behind the American proposal are not dissimilar. The United States sees Alaska and the northern Canadian frontier becoming of increasing strategic importance. With such an "appreciation" the Canadian chiefs of staff must, of course, be in agreement.

But what can be done about it?

Apparently the Americans have a plan; have taken the bull by the horns and proposed it. Their plan is to complete the northern defense of this continent just as eastern and western defenses were jointly completed during the war. This would mean not only huge landing fields but vast machinery and equipment to service and maintain big modern air squadrons. It would mean, as well, a network of communications to service these bases.

How much this would cost is only now being determined. Presumably, out of the large postwar service vote, Canada might be able to erect and maintain such fields, if the project were done over a considerable space of years. But there is little question that the majority of Canadians would look askance at such an expenditure; would feel that this country was merely anticipating future trouble and turning herself into a battle station.

Would "Lose Face"

Equally damaging would be the position of this country were she to let the U. S. pay for these proposed air bases. Were that to happen, this country would, in her own and in other eyes, lose much if not all of her boasted national status and independence.

This is the problem with which Ottawa is now wrestling. As yet, no one can anticipate the eventual solution. But it would be out of character if Mr. King's solution would not be to find a compromise.

It is clearly recognized here that Canada must, in the future, pay far more attention to her northland than she has ever done in the past. Control and administration of this northern territory has been left languishing as the subdepartment of one small branch of a not-very-important government ministry. It took this war (aided perhaps by the recent spectacular Exercise Musk-

(Continued on page 2, col. 3)

Remove Ceiling From 'Hundreds' Of Items Soon

OTTAWA (Staff)—Announcement is expected soon of the lifting of the price ceiling on hundreds of "unimportant" items.

Officials of WPTB have been working for some time on such a list. It would be large in number and of interest to individual dealers and manufacturers, but of no major significance to price control at large. It would merely extend to new categories the principle of decontrol introduced last February.

The purpose would not be to provide price relief so much as to get rid of large numbers of items where administrative difficulties are great in relation to the importance of the item.

Inside News

Speedy Air Mail

Sped by swift transatlantic planes, a letter mailed in England at night will soon be delivered in Eastern Canada next morning, the Imperial Press Conference in London was told. Floyd Chalmers, executive vice-president of Maclean-Hunter Publishing Company Limited, tells of meeting the Royal Family. Chalmers' Diary (p. 3).

Year of Destiny

Newfoundland, on the first day of summer (June 21) elected delegates to a National Convention which, later this year, will recommend a new form of government for the future. The first postwar year may indeed prove one of destiny for "Britain's oldest colony." (p. 3).

More For MacNab

On advice of his investment manager, MacNab sells $2,082.61 of stock and bond holdings, and reinvests in two recent stock offerings. Estimated annual income has now increased from the original $574 to $599, on $10,000 invested. Managed Investment (p. 16).

Tackle Roads Backlog

Canada, in Peace Year 1, is starting out determinedly to clear away a $1 billion backlog of road construction, accumulated during war years. Construction this year is likely to total nearly $100 millions; and the entire backlog may be wiped out before 1950. (p. 25).

Champions School Tie

Ernest Bevin, British foreign secretary, startled many in the Socialist ranks, by his public defence of the swagger schools of Eton and Harrow, and their influence on Brittain's war morale. Russia is "beginning to show certain faint signs of reasonableness." London Calling, by Adelphi (p. 16).

Feud Flares Anew

The reconfederation controversy flared anew this week, on the eve of the 79th birthday of Confederation, with four provincial premiers taking part. Alberta, meanwhile, proceeded with plans for a court test (probably in September) of her Social Credit "Bill of Rights." Provincial Roundup (p. 7).

Why a Crime Wave?

What is the cause, and what the remedy, of Canada's postwar crime wave? The Financial Post polls jurists, social workers and others on this question; receives varying answers, but with a general consensus that wartime conditions were a substantial contributing factor (p. 12).

Deputy Alarm Clock

A four-tube radio equipped with a clock device which can be set to switch on any desired program before you open your eyes in the morning, is in use in United States; near in Canada. Desks with tops designed to reduce eye fatigue are planned for business offices. What's New in Business (p.9).

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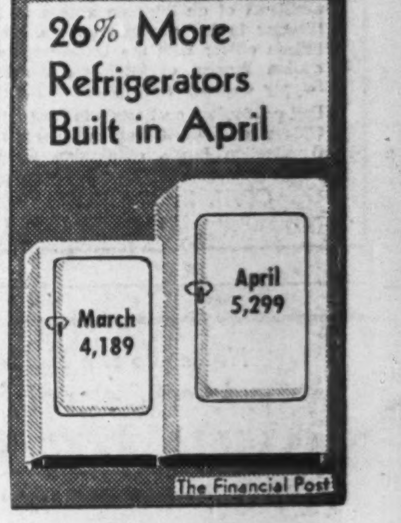
Pace of Business



Despite parts shortages and strikes which tied up several U. S. and Canadian suppliers for varying periods, electrical refrigerator production in Canada in April was up 26½% from March. Production totalled 5,299 units (4,189 in March). Output for the first four months of the year climbed to 14,897 and manufacturers were able to show 721 units on hand at the end of the month, as compared to 585 at the end of March.

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Full particulars on Posters in Post Offices, National Employment Service Offices and Civil Service Commission Offices throughout Canada. Application forms, obtainable thereat, should be filed immediately with the

CIVIL SERVICE COMMISSION OF CANADA,
OTTAWA.

Notice to the Holders of Debentures and Certificates of Indebtedness of the

TOWN OF RIVERSIDE
ONTARIO

Notice is hereby given that a plan for the adjustment and reorganization of the debenture and other indebtedness of the Town of Riverside, Ontario, has been approved by the Council of the Town and the Department of Municipal Affairs of the Province of Ontario and is being recommended to the creditors by the Town of Riverside Debenture Holders Committee.

To become effective the Plan requires the approval of the holders of at least two-thirds of the debt of the Town, and the Committee desires to urge that it is important that all holders of debentures and certificates of indebtedness of the Town of Riverside communicate with the Secretary of the Debenture Holders Committee, W. F. McIlroy, Tenth Floor, 302 Bay Street, Toronto 1, Ontario, in order to obtain details of the Plan affecting their securities together with the Form of Approval and Proxy.

Canada to Share in First Benefits Of Atomic Energy, Chemists Told

Canada is the second country in the world to have a pile of uranium, stabilized by a moderator, as it must have for storage, the annual conference of the Chemical Institute of Canada was told in Toronto this week.

Dr. L. G. Cook, atomic energy division, National Research Council, Chalk River, Ont., also promised Canadian scientists and medical men that they would "be among the first to experiment with radioactive elements—to develop special medical treatments and to unravel scientific and medical mysteries." Canadians generally will be among the first to benefit from nuclear reactions, he stated.

The work and influence of the Chemical Institute of Canada is assuming new importance, because of its own institutional growth, and because the chemical industry, particularly vital in Canada, is showing much less recession in postwar production than industry generally.

As an example, U. S. federal reserve statistics, using 1939 as 100, show the American chemical industry index as 400 at the peak in 1944, against a high of 239 for all industry. This dropped only to 392 during the first quarter of 1946, whereas all industries dropped from 239 to 157.

Chemistry Far-Reaching

Canadian direct chemical production which increased four-fold during the war to $653 millions annually, probably is showing a somewhat similar stability. The direct production of "chemicals," however, is far from being the only concern of Canada's 8,000 chemists and chemical engineers, whose work touches nearly every Canadian industry, pulp and paper, mining, metallurgy, agriculture, food processing, textiles, rubber, plastics, through to the development of atomic energy.

Significant to North American scientific progress is the statement made to the Chemical Institute by Dr. E. C. Williams, New York: "If the bill for a National Research Foundation is passed by Congress, as in some form it undoubtedly will be, it is believed that anything from $100 millions to $200 millions annually of government money will, within a few years, be flowing for fundamental research and the training of research workers, nearly all through universities and non-profit institutions; this is in addition to expenditures on the normal government research projects. Its very magnitude, will alter the whole balance of scientific activity."

In comparison, England, through the Department of Scientific and Industrial Research, may soon be spending $10 millions annually, also outside wholly government agencies, and nearly all for applied research. Russia was spending about $26 millions in its Academy alone a few years ago.

Spend $25 Millions Here

Canada today probably is spending $25 millions annually in research. Expenditures by the National Research Council during the war increased from $1.4 millions in 1939-40 to $6.8 millions in 1945-6 and totalled $30.9 millions for the seven-year war period.

The annual report of the Ontario Research Foundation showed an expenditure of $351,000 in 1943. A Canadian Manufacturers' Association survey showed that 218 firms in Canada in 1944 spent $11 millions on research and another 255 firms were unable to segregate their research expenditures. Perhaps $15 millions would be a conservative estimate of Canadian industry's annual research expenditures. Universities, provincial governments and others probably are spending about $3 millions each year.

"Lack of knowledge" is the one certain feature of Arctic North America, Dr. A. L. Washburn told the Institute conference. Because of research, Greenland, northern Scandinavia and the Soviet Arctic "are in many respects better known than Alaska, or Canada's Arctic," he said, adding: "We shall never know the real potentialities of the North American Arctic until a great deal more scientific work has been done. There remains much to be learned about the location and possible movement of the north magnetic pole, or poles, Arctic topography, soil types, organisms inhabiting permanently frozen soils, Arctic weather origination, zoology, geology, factors controlling man's adaptation to a cold environment. Only detailed work will establish or disprove the possibility that rich mineral resources may be concealed in the Arctic."

Urges Wider Research

"Small" Canadian companies with a business volume of $500,000 a year should spend $25,000 a year in research by establishing relationships with scientists in neighboring universities, Edwin H. Land, president, Polaroid Corporation, Cambridge, Mass., said, presenting a budget for such expenditure.

Dr. R. R. McLaughlin, said a major problem of the Institute is the licensing of chemists and chemical engineers. Only in the province of Quebec has the term, "professional chemist" a legal significance On the other hand, licensing of professional engineers has been in force in eight provinces for a number of years.

Enquiry from one provincial engineering body whether the Institute favors compulsory licensing of chemical engineers "has brought the question squarely before the Institute and it must make a decision," declared Dr. McLaughlin.

Dr. C. A. H. Wright, F.C.I.C., Consolidated Mining and Smelting Co., Ltd. of Trail, B.C., was elected president of the Institute and Dr. Paul B. Gagnon, dean of graduate studies, Laval University, Quebec, vice-president.

Air Base Plans Alarm Canada

(Continued from page 1)

dx) to arouse Canadians to a consciousness of her Arctic frontier. Now, a blunt and heavy-handed American approach which, if it had been proposed say, by Britain, would have been called "imperialism"—has caught us napping. It has caught us unprepared with any clear, strategic or civil program for development and "protection" of this territory. This undoubtedly will be rectified, though scarcely in the way the Americans suggest.

Hear Arsenal Plan Vetoed

The air base proposal is said to be only one, but the main one, of a number which have recently been put to this country in connection with postwar planning and defense. Britain is understood to have made proposals for Commonwealth "arsenal" defense when Mr. King was recently at London. These got short shift at the hands of Canada and some other Dominions, according to best advice.

As well, both the British and the Americans have been working closely with the Canadians, looking toward standardization of weapons and equipment. Considerable progress is said to have been made in this direction.

But the U. S. proposals for air bases moved far ahead of all these long-range plans. It posed at once and without equivocation a problem which most Canadians thought was still many years, perhaps decades ahead. It has become a Number One problem in the East Block.

Maritime Telegraph and Telephone Company Limited

Refunding and General Mortgage Bonds — Series "B"

NOTICE OF REDEMPTION

NOTICE is hereby given that Maritime Telegraph and Telephone Company Limited has elected to redeem and to pay off, on July 1st, 1946, all of its outstanding Refunding and General Mortgage Bonds Series "B" issued under and secured by a Trust Indenture and Mortgage dated January 1st, 1926, as amended by two Supplementary Trust Indentures and Mortgages dated February 12th, 1926 and January 1st, 1936, respectively; all made by the said Company in favour of The Eastern Trust Company, Trustee.

AND FURTHER TAKE NOTICE that on the said date fixed for redemption, namely July 1st, 1946, there will become due and payable on each of the bonds so to be redeemed in lawful money of the Dominion of Canada, at the office or agency, or offices or agencies, at which, at the option of the holder, the principal of the bonds is payable (namely, any of the principal offices of The Canadian Bank of Commerce in the Cities of Halifax, N.S., Montreal, P.Q., and Toronto, Ontario) the principal thereof, together with a premium of three per cent (3%) of such principal amount as is specified in such bonds, and together also with accrued interest to July 1st, 1946, upon presentation and surrender of the said bonds with all unmatured coupons pertaining thereto, including the coupon payable July 1st, 1946.

AND FURTHER TAKE NOTICE that from and after July 1st, 1946, interest on the said bonds shall cease to accrue.

DATED at Halifax, N.S., this 2nd day of April, 1946.

MARITIME TELEGRAPH AND TELEPHONE COMPANY LIMITED

(Sgd.) W. A. WINFIELD, President.
(Sgd.) ROBERT O. CUTLER, Assistant-Secretary.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Abitibi Power & Paper Co.—Gordon L. Morrisette, mill manager, St. Ann de Beaupre.

Addressograph-Multigraph of Canada Ltd. (Toronto) — J. Carruthers, acting general manager.

Brown, Boveri (Canada) Ltd.—R. S. Griffith, Montreal, vice-president and general manager.

Business Newspapers Association—H. L. Southall, Toronto, president.

British Columbia Forest Products, Ltd. — H. G. Munro, general manager; L. S. Mounce, assistant general manager; T. L. Daniels, comptroller.

Canadian National Railways — C. W. Wells, assistant general traffic manager, Montreal; J. A. Argo, freight traffic manager, Central Region, Toronto.

Consolidated Fire & Casualty Insurance Co.—K. R. Marshall, president; H. L. Kearns, managing director.

Canadian Wallpaper Manufacturers Ltd. (Toronto) — S. W. Wilbur, merchandising manager.

Canadian Conference of Business Newspaper Editors—Bryan Vaughan, Toronto, president.

Chemical Institute of Canada—C. A. H. Wright, Trail, B.C., president; Dr. Paul Gagnon, Quebec, vice-president.

Dominion Coal Co. — F. W. Fairman, Ontario manager.

Dominion Board of Insurance Underwriters—B. W. Ballard, Toronto, president.

Dr. Ballard's (Ontario) Animal Foods, Ltd. — N. C. McBeth, sales manager.

Dominion Rubber Co. — R. J. Irvine, tire sales representative, Saskatchewan; J. Maybin, tire sales representative, Alberta; W. J. S. Campbell, tire sales representative, British Columbia.

Donahue Corp. of Canada — Wm. W. West, Montreal, president.

Federation of Medical Women of Canada—Dr. Margaret Owens, Winnipeg; president; Dr. Mary Eddis, Toronto, secretary.

Ford Motor Co. of Canada (Windsor, Ont.)—Gordon C. Garbutt, manager, public relations department; Wm. J. Ellis, associate manager.

Gutta Percha & Rubber Ltd. (Toronto)—J. Ross Belton, director and vice-president.

H. J. Heinz Co. of Canada (Leamington, Ont.)—Gordon C. Tilley, controller.

Hiram Walker & Sons Ltd. (Walkerville, Ont.)—Lionel Marcotte, foreign travelling representative; Henri Thibault, sales manager, Montreal; Paul Henry Harvey, assistant Quebec sales manager, Montreal.

International Nickel Co. (Toronto)—Walter C. Kerrigan, manager, nickel sales department.

Investment Dealers' Association of Canada — H. E. Cochran, Toronto, honorary president; W. T. K. Collier, Montreal, honorary vice-president; A. S. Torrey, Montreal, president; Alan H. Williamson, Vancouver, C. B. Johnston, Winnipeg, W. E. Macfarlane, Montreal, T. M. Bell, Saint John, vice-presidents.

Modern Containers, Ltd. (Toronto)—Chas. D. Hill, general manager, Ottawa division.

Montreal Life Underwriters Association—J. C. Smeaton, president; J. L. Beaudry, C. S. Madill, vice-presidents.

Melady, Sellers & Co. (Winnipeg)—G. N. Thomas, W. E. Gower, directors.

Nash-Kelvinator Corp. (Detroit)—Thomas O. Mantle, Windsor, Canadian regional parts and service manager, Nash Motors.

National War Labor Board—Clifford A. L. Murchison, alternate chairman.

Quebec Power Co.—R. J. Beaumont, a vice-president.

T. A. Richardson & Co. (Toronto)—D. J. McKinnon, head of unlisted department.

Saskatchewan Government — David Smith, Barrie, Ont., director of adult education; Dr. F. D. Mott, Washington, D.C., chairman, health services planning commission.

Shaw & Begg Ltd., Toronto — H. Bruce Begg, president; J. G. Hutchinson, vice-president.

St. Lawrence Flour Mills Co. (Montreal) — G. E. Deeks, Toronto, a director.

J. H. Stafford Industries, Ltd. — John J. Hutchinson, Winnipeg sales representative.

Standard Paving & Materials (Toronto)—J. A. Scythes, a director; Geo. C. Robinson, vice-president; E. Birdsall, general manager.

Toronto Stock Exchange — J. B. White, president; R. J. Breckenridge, vice-president; A. L. A. Richardson, secretary; J. T. Cannon, treasurer.

Toilet Goods Manufacturers' Association—G. Walter Brown, Montreal, president; L. T. Ribter, Toronto, F. L. Lyman, Montreal, vice-presidents.

United Kingdom Government—J. J. S. Garner, Deputy High Commissioner in Canada.

War Assets Corp. — Russell Kenneth Smith, assistant director, pricing and distribution division.

Vets' Clothing Priority Stays

OTTAWA (Staff)—Although its usefulness has pretty well run its course, veteran priority on clothing is not likely to be removed this summer.

Possibly 50,000 or 60,000 veterans will be discharged between now and early winter; so the system will probably stay, even though it has very limited and decreasing importance and value.

NOTICE OF REDEMPTION PROVINCE OF MANITOBA

3½% Debentures

Dated 15th August, 1935 — Due 15th August, 1949

NOTICE is hereby given to the holders of all the outstanding 3½% Debentures of the Province of Manitoba, dated 15th August, 1935, due 15th August, 1949, Series 4 U, that pursuant to the provisions thereof all said outstanding Debentures are hereby called for redemption and prior payment as an entirety at the principal amount thereof on the 15th day of August, 1946, at the principal Office of The Royal Bank of Canada in any of the Cities of Vancouver, Regina, Winnipeg, Toronto, Montreal or Saint John, at the holder's option, upon surrender of the said Debentures with the interest coupons due 15th February, 1947, and all subsequent coupons attached. Interest on all said Debentures shall cease to accrue from and after 15th August, 1946. Registered Debentures should be accompanied by all instruments requisite for transfer.

STUART S. GARSON,
Provincial Treasurer.
Winnipeg, June 20th, 1946.

Look For It Here

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J. ROSS BELTON

has been elected a director and vice-president of Gutta Percha & Rubber Ltd.; continues as general manager.

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BANK OF MONTREAL

Construction Trends By CLIVE CHATTOE

See Cities Dropping Ban On Steel Weld Buildings

Progressive elements in construction and municipal quarters this month are scoring another substantial victory over outmoded and ill-assorted building by-laws. They have formed a national welding bureau (The Financial Post, Construction Trends, June 8) which promises outright cancellation of the long-time municipal ban against electric arc welding in steel fabrication and erection, a method which steel men say is decidedly more economical and efficient than riveting.

This sharp advance is just one more evidence of response to recent new demands for reappraisal of the local building codes. It adds to growing hope that several of the worst tripwires will be cut quickly from the path along which building methods and materials must advance if construction costs are to be progressively reduced and structures progressively improved.

To speed acceptance of electric arc welding of structural steel and to ensure maintenance of highest welding standards in construction and metals processing for manufactured goods, the Canadian Standards Association in co-operation with the Canadian Institute of Steel Construction and with manufacturers this month is setting up the Canadian Welding Bureau.

This new body, under CSA supervision, will certify welders and welding organizations under the existing CSA S-47 welding qualification code. It will assure adherence—in all steel fabricating shops, factories and on building sites— to the best modern standards in materials, plant, welders and foremen. It is, in short, the central watchdog organization for which electric arc welding has been waiting in its struggle for recognition in building and manufacturing.

By-laws Topple

Request for the new setup came first from Canadian Institute of Steel Construction and from manufacturers closely related with the secondary steel industry. The Steel Construction institute's interest is natural. Several Canadian cities, notably the larger ones, for years have kept on their books by-laws which rule out structural welding. Several of the largest, however, recently had indicated readiness to amend these by-laws and permit welding if an organization competent to govern welding standards could be created.

Such an organization now has come into being in the Canadian Welding Bureau and Toronto for one, The Post is told, will cancel its ban on welding just as soon as the organization begins to function. Steel men expect other representative cities to follow suit.

Chairman Col. A. H. Cowie of the CSA committee organizing the new bureau (Col. Cowie is of Dominion Bridge, Lachine) describes it as "a mutual protection and insurance scheme whereby the experience of all welding firms will be continuously translated into an educative and qualifying code together with a system of inspection to protect buyers of welding." Manufacturers, steel fabricators and erectors, others, will become members and the Bureau soon is expected to be self-sustaining. Rates for membership and for qualification certificates are being determined and will be announced soon. Headquarters staff and travelling inspectors will be appointed. Initial costs will be met from CSA general funds.

Bureau experts will visit all interested companies to explain codes and specifications, conduct enquiries and tests looking to the qualification of plants and operators, and to issue certificates stating that such plants are adequately equipped, staffed and experienced to do welded work of a particular class. Qualified plants will be listed and the list made available to government departments, purchasing agents, architects and engineers responsible for design and acceptance of welded work.

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ENQUIRIES WANTED

The Australian Trade Commissioner, 630 Fifth Avenue, New York City, invites enquiries from firms interested in obtaining the services in Australia of wool buyers.

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New scientific discovery in nutrition field ready for mass market. Hundred Thousand Dollars required.
Box 181, The Financial Post,
Toronto 2, Ont.

ACCOUNTANT-OFFICE MANAGER

Canadian subsidiary of American manufacturing and engineering firm requires Office Manager with broad accounting experience.

Write giving outline of experience, preferences for type and location of employment, age and range of salary expected next few years.

Box No. 169, The Financial Post, Toronto 2, Ont.

CANADIAN TAX FOUNDATION
EXECUTIVE REQUIRED

Applications are invited for the position of Chief Executive of the Canadian Tax Foundation which has been formed for the purpose of conducting a programme of research and investigation of Canadian taxation and its effect on Canadian economy. The position will carry a substantial salary. Applicants should possess extensive experience within the fields of either Law, Public Accounting, Public Finance or Economics. Applications, which will be treated confidentially, setting out details of experience and qualifications, should be forwarded to the Secretary-Treasurer, Canadian Tax Foundation, 603 Royal Bank Building, Toronto 1, Ontario.

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SAILINGS TO MEDITERRANEAN

To Lisbon, Naples, Malta
S/S "DAGMAR SALEN"
Loading Montreal — June 26/30.

To Lisbon, Naples and Malta
S/S "FORT YUKON"
Loading Montreal — early July.

SAILINGS FROM MEDITERRANEAN

S/S "FORT ISLAND"
To Montreal — From
Marseilles, Naples, Leghorn, Genoa,
Algeciras, Cadiz and Lisbon.
Loading Marseilles June 26.

Royal Family Charms Canadians U. K. Catches Up in Aviation Race

Floyd S. Chalmers, Executive Vice-President of Maclean-Hunter Publishing Company Limited, is now in England, as one of a party of 17 Canadian publishers and editors, attending the Imperial Press Conference. Following is the fourth of a series of articles.

TUESDAY: Today the Imperial Press Conference dealt with "communications." The Earl of Listowel, Postmaster-General, cheered the Empire's publishers by announcing that the penny-a-word cable rate for press messages anywhere in the Empire would be continued. He promised that soon a letter mailed here at night would be delivered next morning in eastern Canada.

Lord Knollys (rhymes with "rolls"), head of BOAC, told of plans to gird the Empire with rapid air transport. He surprised us by telling us that BOAC has more craft than any other airway line in the world, but it has a vast area to cover and needs hundreds more. That powerful pioneer of the air, Sir Frederick Handley-Page, told us of the strengths and limitations of jet-propelled and gas turbine aircraft. He was less enthusiastic about them for civilian aircraft than most observers. Then Lord Brabazon of Tara described Britain's new planes. Britain, he said, was two years behind the United States in tooling up to make civil transport planes. Now, because of her leadership in gas turbines, she is off again to a level start with the world.

At luncheon, our chief "speaker," was a man of imagination. Cables and Wireless gave the party at the "Dorch." The president, Sir Edward Wilshaw, was to speak. Instead he distributed the text of his speech and introduced the stage and screen star, Cicely Courtneidge, who repeated for us her moving V-night broadcast, "Those Unimportant People," a gracious tribute to the "little man" (and his wife) who were not in the big parade, but who also helped to win the victory.

In the evening, another round of dinner parties. My host and hostesss were Lord Kemsley, whose 10 million-odd circulation makes him Britain's largest publisher, and Viscountess Kemsley. Lady Kemsley, as indeed every member of the family, is an active editor in the chain. She specializes in Empire news. Their home, Chandos House, was built by the Adam brothers and is an architectural gem. Scarcely 100 yards from BBC, it survived the many bombs which the Luftwaffe targetted in that area.

Beside me at dinner was Sir Arthur Conynyham, who headed the unified tactical air command under Eisenhower after the Arnhem show demonstrated need for such centralized direction. He knows many Canadians and plans next year to renew acquaintance with them when he visits his good friend and wartime associate, who is now Canada's Governor-General.

* * *

Royalty Prove Selves "Real Folks"

WEDNESDAY: Our visit to Buckingham Palace brought us to another peak in our program. The King and the Queen, with Princess Margaret Rose, made it an affair of memorable informality. First, we were presented individually. Then in the Bow Salon, Their Majesties moved among their guests chatting with nearly everyone. The King, in naval uniform, was buoyant and bristling with apt conversation. He has a happy smile and an even happier chuckle. More and more he is coming to resemble his father.

The Queen, whose radiant charm is already a legend, had a word of thanks to everyone from overseas for the war efforts of their people, but she seemed most moved when she spoke of the spirit and the effort of "this happy breed" at home.

Princess Margaret Rose stood by her mother throughout, listening intently, very sweet and petite, a little shy at first, but gradually finding herself and, before we left, smiling and laughing just like your daughter or mine.

Queens and Princesses learn how to use their hands, which are awkward appendages on so many women. (Men, of course, put them in their pockets when they get in the way). The Queen carried a bag, with her famous diamond maple leaf attached. The Princess clasped her hands behind the back of her simple print dress and carried herself with the unaffected dignity of a well-trained Branksome or Havergal girl.

To Canadians, there was pleasure in greeting the King's Private Secretary, Sir Alan Lascelles, who asked me a score of questions about Canada and Canadian friends. The Queen's secretary, Major Arthur Penn, had been my co-host at dinner the other evening. He was effective in the casual things he told Her Majesty as he presented each guest.

Press Gathering Was Cosmopolitan

Their Majesties seemed to enjoy this gathering, which included people as varied as the mayor of Suva in the Fiji Islands, professedly anti-British editors from India, an Afrikaan editor from the Cape, and that great and strongly pro-Empire French Canadian, Edmond Turcotte, of Le Canada. The hour we were to have at Buckingham Palace stretched into an additional 50 minutes and the King seemed reluctant to go.

* * *

My host at dinner, Col. E. P. Etherton, proved to be a person of astonishing achievements. Big-game hunter, world traveller, writer of geographic books, he had provided for Senator Rupert Davies and myself an equally interesting companion. This was the "Lord of Lundy." His "kingdom" is the Island of Lundy, off the north coast of Devon, three miles long and two miles wide. He has his own coinage and his own stamps, with his name, Martin Coles Harman, inscribed thereon. He makes his own laws, pays no taxes to Britain, collects none from the 40 "subjects." He gave me two of his coins.

An amateur ornithologist, he was shocked when I told him I had never heard the nightingale. He was all for taking me into the country that very night. "It's your last chance," he said. "The nightingale's eggs hatch on June 14 and after that his song becomes a croak."

* * *

Chalmers Missed Nightingale's Song

THURSDAY: Up at 7 o'clock (not having heard the nightingale) and off by air to a visit to two of the RAF major stations. We travelled in three Dakotas. At the Empire Central Flying Training School, Hullavington, we ran into Canadians and airmen from all Dominions. On the field was one each of all the latest RAF planes, which were put through their paces for us.

The tiny but speedy little Vampire, jet-propelled, and the even more breath-taking Gloster Meteor, naturally interested us most. The Gloster Meteor swept over our hats at nearly 600 miles an hour and zoomed upward into the stratosphere before we had caught our breath. A fine display of all the latest scientific gadgets of air warfare let us in on many hitherto secret matters.

After luncheon we hopped to the School of Air Support near Salisbury. One moment over Stonehenge and the ancient Roman camp of Old Sarum, the next we were watching the airborne division demonstrate how armies were landed by parachute, glider and helicopter in Normandy and Burma, and how they were supplied from the air.

Piece de resistance was the dropping of a jeep and a 6-pounder gun with all ammunition and supplies. ready for immediate action. Then a tank-carrying glider landed and was "snatched" again with the gentleness of 1½G's, insufficient to spill a glass of beer. The RAF, the Army and the Navy operate the school jointly. Canada plans a similar school and we met a batch of officers from home studying how it's done.

Perhaps I should record that the "bookies" of Salisbury are none too flush at the moment, and some are flat broke. Too many members of the "Airborne" Division got the same happy inspiration about the Derby.

* * *

Spanned Country Within 25 Minutes

FRIDAY: Again up betimes, and to our planes—this time Yorks, which spanned England's breadth in 25 minutes to drop us down beside the Bristol Aircraft Company's plant, an impressive example of Britain's individual genius in design, engineering, workmanship and administration. During the war 54,000 employees (9,000 of them underground in an abandoned quarry) worked here. Now there are 25,000 and would be more if more skilled mechanics could be spared from other civilian industries.

Of hundreds of things we saw, these interested me most:

1. The gas turbine aero engines, burning kerosene, giving more power per pound of weight at less cost than piston engines. Those in production produce upward of 3,000 h.p., but testing blocks are set up to test the 15,000 h.p. engines expected within five years.

2. The Brabazon, under construction as "The Queen Elizabeth of the skyways." By 1947 it will be carrying 200 passengers (or sleeping 80) in 7 hours direct from Heathrow Airport, London, to LaGuardia Field, New York. A few details for those interested:

Length: 177 feet. Wing span, 230 feet. Weight, 135 tons.

Power: 8 Centaurus 3,300 h.p. engines, linked in pairs with an ingenius V-gearing that powers 8 props, co-axially mounted in pairs and contra-rotating. The second and subsequent models will use gas-turbine engines (the hitherto secret "Proteus" of 3,500 h.p. plus).

Cruising speed: 350 m.p.h.

Required airport: 2,000 yards of 14-18-inch concrete.

3. Plans for Bristol's new airport with 18-in. concrete runways, 2,750 yards long and 100 yards wide; and assembly hall and hangar covering 8 acres, with doors 74 feet high and overhead beams 350 feet long. It takes a big "garage" for the world's largest plane.

I learned that Bristol are sending one of their "Freighter" model aircraft to Canada in six weeks. This and its twin, the passenger plane, "Wayfarer," are more pedestrian than the "Brab." They are typical of where U. K. is putting the emphasis in civil aircraft: on reliability, comfort, economy, safety.

* * *

Food So Scarce It's Always News

SATURDAY: Down the Thames by steam yacht, inspecting the bombed dock areas and lunching in the beautiful hall of Greenwich's Royal Naval College. Here the retiring First Lord of the Admiralty, Cunningham of Hynhope, chatted informally for half-an-hour on the Royal Navy's future.

A few fragments missed out of previous diary entries:

Each day the Canadian delegation gets the news from Canada cabled over by Canadian Press.

Food seems always to be intruding itself in these notes. There's a black market in food, how extensive I do not know. Certainly the West-end restaurant which served me a steak must deal in it. One woman told me that, desperately tired of queuing up for food, she bought her Whitsuntide supplies in a back-street shop. She bought a pound of new potatoes at 7s. 6d.; a pound of beans at the same price; a pound of apples at 3s. 6d. The shopkeeper was kind; he let her have a half a loaf of bread as well. She looked longingly at a melon, but decided that 39s. 6d. was too much.

British bread is not good; not as good as the wartime national loaf. It represents nearly 100% recovery of the wheat; hardens as it dries, toasts poorly. But no one wastes it. It is a criminal offense to throw away a crust, or even to toss one to a swan in the zoo.

* * *

No One Ever Spurns Chocolate

The British are hungry for sweets; no visitor's offered chocolate is ever refused. The ration is 12 ounces monthly; if there are children in the family, the parents usually do not even get a taste.

One of our New Zealand delegates could not make up his mind what to bring along. He finally put in 25 2-lb. tins of beef dripping. It is almost literally true that housewives swoon when he offers them a tin.

And a note or two on price inflation. A Canadian who came over here 12 years ago is returning home. He is selling out. For a broadloom carpet which cost him £31 when he came he got £150. A "frig" which cost £60 (secondhand when he bought it 12 years ago) fetched £150. A small power lawnmower, picked up at £5 sold for £75.

Commercial rentals are ridiculously high, due to shortage of accommodation and no ceiling. For two rooms in what is little better than the attic of an office building, a seven-year lease was demanded at 30s. per sq. ft. annually. One man I know has an office renting at £4,000 yearly. The lease has 27 years to run. He was offered £60,000 to move out and sublet!

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22-5-19B

New Newfoundland Convention Could Put Government 'On Spot'

ST. JOHN'S, NFLD.—There has been no general election in Newfoundland since 1932 and for all here under 35 years of age, the National Convention election, June 21, was their first opportunity of casting a ballot in a national contest. Polling day passed quietly, without undue incident. There were no issues to cause excitement, or party controversy to provide conflict.

The candidates are to examine Newfoundland's economic position and future prospects and in the light of their studies and debates, to recommend to Great Britain, forms of government on which the opinion of the people will be sought by referendum. Generally speaking, the candidates in their canvassing proclaimed an open mind, and asked the electors to vote on their personal attributes.

The St. John's labor party, formed in recent years put forward eight candidates and asked the electorate to vote the straight ticket. Of the eight only two were elected, one of whom has been without any apparent formal labor associations.

Smallwood for Canada

Two other candidates were committed in advance to a policy if not a program. Peter Cashin, who during the winter had been conducting a one-man radio campaign against the Commission of Government, circulating a petition for the immediate return of responsible government and strongly opposing the convention device as useless and nugatory, was one of those elected in St. John's West with a substantial majority. The candidate for Bonavista Centre, J. R. Smallwood, has been an open and ardent advocate of confederation with Canada and canvassed on that platform. He received all but 277 of the votes cast in his district.

St. John's West defeated the convention's only woman candidate, a well-known home-front warworker. The number of eligible voters in Newfoundland is 164,861 and in view of the colorless nature of the election, the turnout seems extremely good. In St. John's about 60% cast their ballots. In so far as it is possible to estimate at present, the average vote in the outport districts was 45% to 50%. In the more hectic days of responsible government, the national average of votes cast was never higher than 70%.

Could Embarrass Government

It is theoretically possible for the assembled Convention to embarrass the Commission of Government seriously and if an important national issue should arise during the life of the two bodies the Government position could conceivably be made untenable. Supreme Court Judge Cyril J. Fox has been appointed chairman of the Convention and will, without delay, canvass the successful candidates as to a suitable time to convene.

Those elected are K. M. Brown, Bonavista South; Wellington Crummey, Bay de Verde; J. McCormack, St. Mary's; W. Banfield, Fortune; J. Spencer, Hermitage; E. Roberts, St. Barbe; Alfred Watton, Fogo; S. Vincent, Bonavista North; Rev. M. Burry, Labrador; I. Newell, St. Barbe (all the foregoing were unopposed). James Fowler, Port de Grave; M. McCarthy, Port au Port; Reuben Vardy, Trinity North; T. Ashborne, Twillingate; W. Dawe, Bay Roberts; M. Hollet and M. McDonald, Grand Falls; F. Figary, Burgeo; J. Smallwood, Bonavista Centre; A. Northcoot, Lewisporte; P. Kennedy and J. Hannon, Harbor Main; R. G. Starkes, Green Bay; P. Fudge, Humber; L. Miller, Placentia East; D. Ryan, Placentia West; Chesley Crobie, Peter Cashin, Michael Harrington, Gordon Higgins, Edgar Hickman, Robert Job, A. B. Butt, Frank Fogwill, all for St. John's; David Jackman, Bell Island; W. Jones, Harbor Grace; Charles Bailey, Trinity South; Albert Penny, Carbonear; Frank Perce, Burin East; William Keough, St. Georges; Gordon Bradley, Bonavista East; Edmund Cranniford, Trinity Centre; Daniel Hillier, Burin West; Alfred Goodridge, Ferryland.

ALAN H. WILLIAMSON

Vancouver, has been elected vice-president and chairman of the Pacific district, Investment Dealers' Association of Canada.

HYDRO - ELECTRIC POWER COMMISSION OF ONTARIO primary power loads for April, 1946, show a decrease of 2.2% from April, 1945. This amounts to a loss of 54,000 h.p. and it is the second consecutive month this year that the primary load has fallen below that of a year ago. The total primary and secondary load for the same period also shows a drop of 0.8% or around 21,000 h.p.

No special reason is given for this falling off in load. Hydro officials state that the drop was small and suggest it may be due partly to the strike situation.

Maximum 20-Minute Peak H.P.

	April 1946	April 1945	% Change
Primary Loads:			
South. Ont. ...	2,073,743	2,094,676	—1.0
Thunder Bay ..	131,233	125,067	+4.9
Nor. Ont. Prop.	196,156	235,203	—16.6
Total	2,401,132	2,454,946	—2.2
Primary & Secondary Loads:			
South. Ont. ...	2,161,249	2,176,525	—.7
Thunder Bay ..	153,753	136,595	+12.6
Nor. Ont. Prop.	272,657	295,284	—7.7
Total	2,587,659	2,608,404	—.8

QUEBEC POWER CO. declared a $0.25 per share dividend on the common stock of the company for the quarter ending June 30, 1946, payable Aug. 26 to shareholders of record July 10, 1946.

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Outside contacts demand a large part of his time.

But desk work is heavy, too.

Trying to be in two places at once was wearing him down—

Until he turned to VOICE WRITING.

Now he talks away his desk work—leaves his recorded voice behind—and has double the time for outside calls.

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INVESTMENTS THIS WEEK

Feel Higher Bond Prices In Prospect For Future

An immediate strengthening of high-grade bond prices followed announcement of the new Canada Savings Bonds by Finance Minister Ilsley last week (See page 5). Longer term Dominions rose 25c. a $100 with Ninth Victory Loans quoted $104.75 bid to $105.25 asked to yield about 2.58% and 3% perpetuals at $103.75 bid to $104.25 asked to yield about 2.72%.

Principal factor in the rise was the expectation that there would be no large commercial loan until next year.

This removal of an outlet, via a large government loan, for the investment funds of financial and other institutions is expected in investment circles to result in active bidding and higher prices for the outstanding loans. Already there has been some buying in anticipation of this as inventories of many dealers are low.

Contributing to the strength was renewed interest from U. S. buyers. The first sizeable U. S. order in some weeks—for $10 millions long-term internal Dominions—was reported at the end of last week with a similar order this week.

* * *

Confidence in higher prices was prevalent even before Mr. Ilsley's announcement. G. Lyall Fraser, Vancouver, B.C., chairman of the IDA's Pacific district in his report to the annual meeting predicted:

"In spite of the tremendous peaks to which investment prices have risen in comparison with the conditions of a few years ago, I am of the opinion that, barring another world upheaval, which I do not expect in the near future at least, present prices will be substantially eclipsed within the next three years. Yields which we think are too low to consider for ordinary investment accounts at present will look extremely attractive compared with the rates prevailing in the near future."

Mr. Fraser added:

"I am optimistic enough to think that governmental expenditures will be substantially reduced from the peak levels of 1944 and 1945 and therefore I predict a huge amount of funds will be released for investment."

* * *

Holders of Over 69% Assent To Prince Albert Bond Plan

Holders of over 69% of the debenture debt for the City of Prince Albert have sent in assents to the reorganization plan, The Financial Post learns. Steps are being taken to properly word the reorganization plan after which it will be submitted to the Local Government Board of Saskatchewan for ratification.

Briefly the proposal provides for the settlement of interest arrears to Dec. 31, 1945 ($16 a $100 bond) by a 50% cash payment and for present debentures to bear interest at the new rate of 3% for five years and then 3¼% for 15 years. The outstanding debt consists entirely of 4% debentures due Jan. 1, 1966 which are currently quoted $98¾ bid to $100 asked.

* * *

Int. Metal Industries Sale Reports Denied

Street reports that Bethlehem Steel Corp. of the United States was negotiating for control of International Metal Industries Ltd. have been denied by A. L. Ellsworth, president of International Metal. Mr. Ellsworth told The Financial Post he did not know anything about any negotiations and that there had been no communications with Bethlehem Steel Corp.

* * *

Big Jump in Working Capital For U. S. Companies in 1945

Corporate net working capital of U. S. corporations reached a new high estimated at $52.1 billions at Dec. 31, 1945 according to an analysis of the U. S. Securities & Exchange Commission. During 1945 working capital increased by $6.3 billions or 13.8%, the highest rate in recent years. This compares with an increase in the working capital of Canadian companies of 5.3% in 1945 indicated by The Financial Post survey of 270 Canadian companies. (See June 8 issue). The large U. S. increase is explained not only by the level of retained profits but also by the tax refunds due corporations under provision of the Tax Adjustment Act of 1945, it is stated.

A sign of increasing liquidity was seen in the U. S. figures as the ratio of corporate liquid funds to sales increased again in 1945 and is said well above pre-war levels.

* * *

Corporate Bond Financing 50% Higher Than All 1945

With Dominion of Canada bonds rising to new high levels this year, and so causing a sympathetic rise in the price of corporation bonds, many corporations have felt it opportune to refund their outstanding obligations.

In the first five months of 1946, some $218,923,600 corporation bonds have been sold for refunding—a 77% greater amount than in the whole of 1945. A further $28,422,400 corporate bond has been issued this year to date for new money, and compares with total new corporate money of $40,452,700 raised in all of 1945. Total corporate bond financing for the first five months of 1946 is over 50% greater than for the whole of 1945.

'Peg Electric Deal Off City Asks Lower Fares

From Our Own Correspondent

WINNIPEG — City Council this week vetoed a proposal to buy out the Winnipeg Electric Co., lock, stock and barrel, for $56 millions; and two future developments loomed in the city's transportation problem:

1. Hearing by the Provincial Public Utility Board, of an application by the city for reduced fares.

2. Renewed negotiations between the city and the company, for modernization of the latter's system, involving replacement of streetcars by buses, except on three or four downtown routes (the program to involve $5 millions expenditure, over a period of years).

Early in May, the city made a tentative offer to pay $46.3 millions for all assets of the company, including power sites. The company replied that it would accept $56 millions.

A subcommittee reported to council that the latter figure exceeded net book value of the company's assets, on its own figures, by $9,507,000. It said the $56 millions price would mean an operating loss to the city of approximately $1 million yearly, without taking into account any increase in wages or other costs.

Council rejected, 12-2, an amendment by two Communist aldermen, that the company be asked to sell its assets at actual value, to be determined by an arbitration board.

Callinan Drill Returns Copper

Callinan Flin Flon Mines has reported intersecting a 25-ft. section averaging 2.01% copper at depth of 695 to 720 ft. The hole was put down some three claims from Hudson Bay Mining & Smelting Co. smelter to check a previous hole drilled in 1944.

Copper values were reported showing at 690 ft. for a continuous length of 50 ft. The 25 ft. from 695 to 720 ft. was made up of 5-ft. sections which assayed 2.76%, 1.07%, 1.51%, 3.07% and 1.65% copper, respectively.

P. D. HAMILTON, C.L.U.

The announcement has been made by The Great-West Life Assurance Company of the appointment of P. D. Hamilton, C.L.U., as Manager of the Company's New Brunswick Branch. Mr. Hamilton, who assumed his new duties on June 1st, was previously Manager of the Montreal "2" Branch. He succeeds A. H. McLeod, who retired after 41 years of service.

Mr. Hamilton first joined the Great-West Life in Winnipeg in 1930, as a representative, and after an outstanding sales record was successively appointed Supervisor and Manager.

New Issue

$1,000,000

Standard Fuel Co. Limited
(Incorporated under the laws of the Dominion of Canada)

4½% Cumulative Redeemable Preferred Shares
Par Value $50

Preferred as to Capital and Dividends. Cumulative preferential dividends at the rate of $2.25 per share per annum will accrue from September 1, 1946, and as and when declared by the Board of Directors will be payable insofar as the first instalment is concerned on November 1, 1946 for the period from September 1 to October 31, 1946, and thereafter in quarterly instalments on the 1st days of February, May, August and November in each year.

Transfer Agent: National Trust Company, Limited, Toronto.
Registrar: Chartered Trust and Executor Company, Toronto.

We offer these Preferred Shares as principals, subject to prior sale or change in price, if, as, and when issued and accepted by us and subject to the approval of Counsel.

Price: $51 per share

It is expected that Trustee's Interim Receipts bearing interest at 4½% per annum from July 2 to August 31, 1946, will be available for delivery on or about July 2, 1946. It is expected that definitive share certificates will be available on or about September 3, 1946.

A Prospectus, a copy of which has been filed under the provisions of the Companies Act, 1934, as amended, will be promptly furnished upon request.

Wood, Gundy & Company
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London, Eng. Hamilton Kitchener London, Ont.

LINGMAN LAKE GOLD MINES completed systematic diamond drilling in 1945-1946 fiscal year which indicated two mineralized zones carrying gold values over good widths. As a result of disclosures, decision was made to go underground and a start has been made since year end on shaft sinking. Drilling of the south zone indicated seven lenses in a horizontal distance of 880 ft. across 9 ft. and an over-all average uncut grade of $15.27. The lenses were intersected at vertical depths of from 40 ft. to about 250 ft. The north zone shows a drilled length of 300 ft. across an average width of 7.9 ft. averaging $34.62 (cut) grade. Current assets were $369,000 and current liabilities totalled $15,132, as at March 31.

BRITISH COLUMBIA PACKERS' recent subdivision of their common stock into two class "A" shares, carrying a fixed dividend of $0.75, and two class "B" shares of variable dividend rate affords the investor a choice of two types of investment in the business, Greenshields & Co. states. At present levels of $17 per share, purchase of the "A" stock will yield a 4.4% return while on the basis of an indicated dividend of $0.25 per share the "B" common, priced at $10½, would yield less than 2.5%. Appeal of the common, the Greenshields' analysis states, lies in willingness of the investor to take a chance on the business maintaining the growth trend of recent years.

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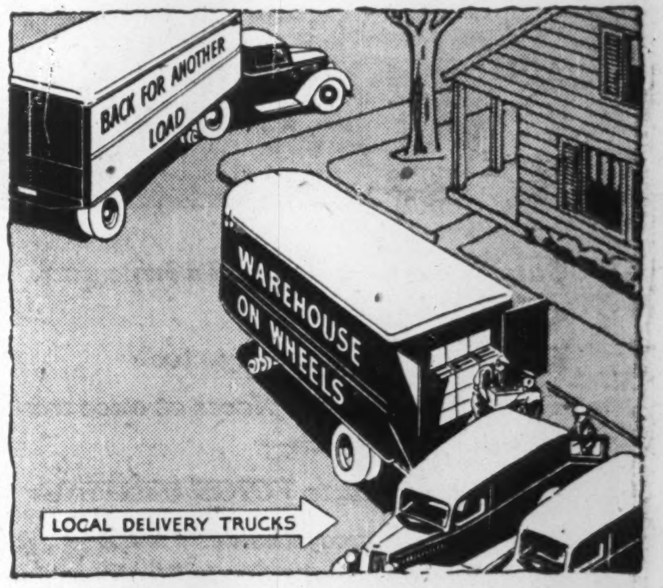

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This illustrates one of the outstanding economies of the Trailer Method. In hundreds of cases, one power unit can handle two or more Trailers. Only the Trailers need to be left for loading or unloading. The power unit keeps working and earning.

Fruehauf Trailers deliver a specialized service unparalleled by any other method! You need only check these advantages and compare them with your present set-up to know whether the Trailer idea will effect worthwhile savings for your business.

● HAUL BIG LOADS
In most cases Trailers are used chiefly because they enable small trucks to haul big loads at lower cost.

● KEEP POWER UNITS WORKING
However, in many businesses, the big point is that Trailers can be parked at terminals for loading and unloading without tying up power units and drivers.

● SERVE AS "FEEDERS"
In addition, Trailers serve as mobile warehouses. These load-carrying "detachable bodies" are left standing at destinations and serve as "feeders" to city delivery units.

SERVING AS "RUBBER-TIRED" WAREHOUSES
Often deliveries are made locally or to distant points where the Trailers are uncoupled and "spotted" to serve as warehouses. When unloaded, a full unit is pulled in and the empty returned. Double handling of stock is eliminated.

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If you'd like to hear of actual cases where Trailers are serving better and providing bigger savings over other hauling methods, just call in your Fruehauf man for the facts.

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A TRUCK IS LIKE A HORSE
IT CAN PULL MORE THAN IT CAN CARRY
"Engineered Transportation"

Interest to be Higher on New Bonds Selling Costs Will Be Kept Down

OTTAWA (Staff)—As expected, next fall's Dominion loan will make a sharp break with the Victory Loans of the past. In many respects Canada newest security—the Canada Savings Bond—will resemble War Savings Certificates more than Victory bonds. Features are:

(1) Holdings are to be limited. The limit on individual holdings has not yet been set but is expected to be between $1,000 and and $2,000.

(2) The interest rate will be "more favorable than those existing for comparable investments at the time of issue."

(3) Bonds will be registered in the name of the owner and will be neither transferable nor assignable.

(4) Bonds will be redeemable at face value plus accrued interest at any time on presentation by the owner at any branch of a chartered bank in Canada.

(5) Denominations will be $50, $100, $500 and $1,000.

(6) Interest will not be tax-free.

No Limit on Issue

The new bonds will go on sale throughout the Dominion sometime in October. No limit will be placed on the amount of these securities which will be offered to the public.

Interest rate is still conjectural. At present, a 10-year term government bond sells for about 2.39%. Twenty-year bonds are currently yielding 2.58%. This makes it almost certain that unless conditions change considerably, the new rate won't be as high as 3%, otherwise, there would be too great a spread between the two types of security

Purpose of the new security is to provide "an ideal savings instrument for small savers." The bonds will be issued initially in two directions:

(1) An open-end offering to all "small savers" to be handled on a commercial basis by investment dealers, banks, etc.;

(2) a special campaign under government auspices to make the bonds available to persons now buying Victory Bonds on the payroll savings plan, who want to continue a "save-as-earn" program.

Keep Cost Low

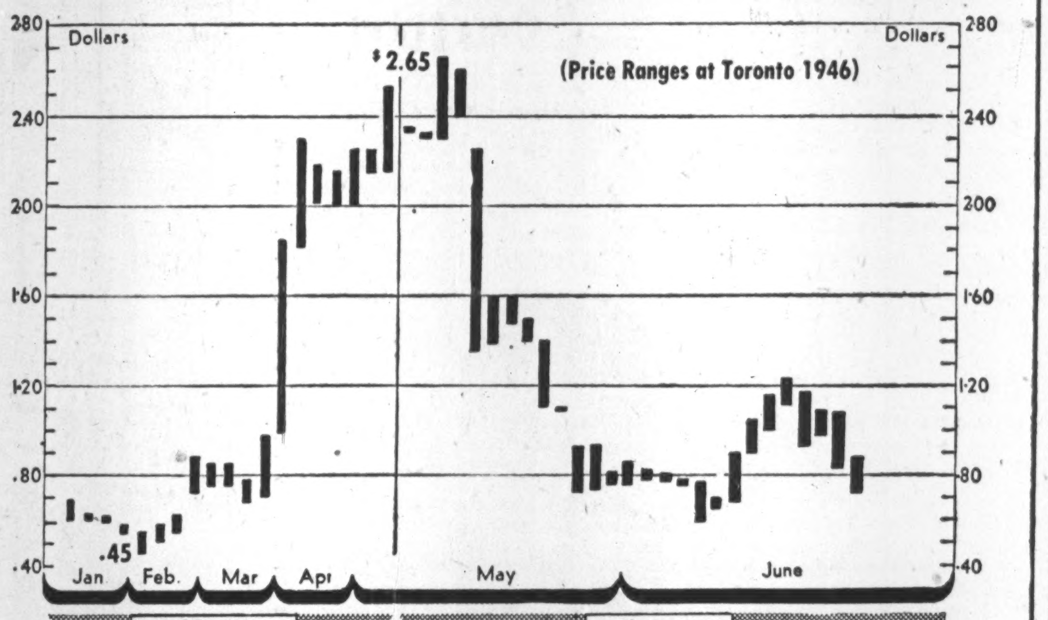
For the payroll savings campaign, the government will recruit a small organization from bond and investment dealers to explain and organize sale of the new bonds in plants and establishments across the country. This organization will not work on a commission basis but will be remunerated by the Government at a flat rate or over-all basis.

Apart from this particular operation, the aim will be to put the main campaign on as close to a commercial basis as possible. The entire investment industry will be invited to participate. One official said this:

"We'll try to hit a commission rate which will cover expenses but it certainly won't be an "extravagant" rate. We'll be influenced by the psychological factors wrapped around the merchandising of this new "package" rather than narrow financial considerations. But we won't pay a rate which will permit house-to-house canvassing."

Government financial experts are said to believe that a fixed-price redeemable security is of more interest to small savers than the coupon rate. Thus war savings certificates carried a 3% rate but because they had to be marketed at a "discount" from face value before maturity, they proved unpopular. As soon as the new security is marketed, the sale of war savings certificates and stamps will be stopped.

BEAULIEU: Stock Exchange Storm Centre



The Financial Post

The whole question of short selling as practiced on the TSE has jumped into prominence as a result of recent sharp break in a few days of Beaulieu Yellowknife shares from a high of $2.65 to a low of 61c. At a meeting, shareholders, led by President Samuel Ciglen, blamed the drop on an organized raid of professional "shorts." Waves of short selling that were "undeclared"—and therefore free from TSE curbs—and conspiracy in form of "bearish" rumors were charged against the unnamed "short" interests. Shareholders called for complete review of TSE short selling practices and stricter enforcement of existing curbs.

At the meeting a Mr. Jobson reportedly admitted to "running up" the Beaulieu stock which in 12 trading days (from March 21 to April 5) jumped from 83c. to $2.30 under phenomenal volume. He also was quoted as admitting he had been "over optimistic."

The Beaulieu stock price broke on May 16 and in three days tumbled from $2.65 to $1.35 in a turnover of approximately 750,000 shares. Much of the selling was illegitimate, shareholders claim, being undeclared short selling. By not declaring the sales "short," it was claimed, the sellers did not have to abide by TSE regulations which prohibit short selling at prices lower than the previous trade price. In this way stock could be offered at progressively lower prices thus tending to knock the market price down. Stock delivery, normally a moderate curb to short selling practices, is considerably facilitated on a falling market.

On the New York Stock Exchange all sales have to be marked L or S—long or short. Not so on the TSE. Montreal Stock Exchange and Curb Market have no regulations applying to short sales, it is reported.

While the Beaulieu incident served to revive some of the violent sentiment against the "shorts" that was so prevalent after the 1929 crash, and led to promises to investigate by the Exchange and the Ontario Securities Commission, some stockholders took a more moderate view. One such was reported to feel that the rules should work both ways—if it was bad practice to engage in a selling campaign on a stock, it was equally bad to organize buying to raise the share price.

Oppose Too Many Salesmen In Savings Bonds Campaign

THOUSAND ISLAND CLUB, N.Y. (Staff)—Executive officials of the Investment Dealers' Association of Canada decided here last week to make an immediate survey of regional membership, to help formulate plans for merchandising the new Canada Savings Bonds.

NEW APPOINTMENT

Mr. E. Roy Butler, Chairman of the Board of Directors of Modern Containers Limited, of Toronto, announces the appointment of Mr. Chas. D. Hill as General Manager of the Ottawa Division of Modern Containers Limited.

It is hoped that this survey will be completed by mid-July and that discussions will then start at once with Ottawa to lay plans for the big October sales effort.

Annual meeting of the IDA first learned about the Canada Savings Bond through a brief announcement by President Arthur Torrey. This started a hot-and-heavy controversy as to what position (if any) the association should take about putting any limits on use of subagents in the Savings Bond campaign. Members recognized that the Government might not be asking their advice on the question. But it clearly loomed as a matter of first-rate importance—assuming the Government called for a nation-wide effort to sell the new form of security.

Nub of the subagent problem is simply this: that in the various victory loan campaigns, up to 15,000 individuals in all parts of Canada were brought in on a special commission basis to merchandise war bonds. It is argued now that similar tactics in this loan might mean unwise and unnecessary dispersal of dealer profit margins; thus most IDA membership appeared to favor some curb on unlimited appointment of subagents by individual companies.

Rearrange Debt Riverside, Ont.

The Town of Riverside, Ont., Debenture Holders Committee has written holders recommending a plan of reorganization, which has been approved by the Ontario Department of Municipal Affairs and by the Riverside Council. To become effective, holders of at least two thirds of the debt must approve the plan.

The plan would exchange the present debentures and debt certificates for a like amount of new 35-year 2% debentures dated Dec. 31, 1945, maturing Dec. 31, 1950. Interest will be payable annually.

The town is to raise $70,000 annually for debt service. New debentures are to be callable at par and accrued interest on 30 days' notice.

An interim plan for Riverside has been in effect since 1941. Under this, interest at the rate of 1% per annum was paid on account. A survey of the town's financial affairs was to be made before the expiry of this plan. As the survey was not completed by the end of 1945 a 1% payment was made on account of 1945 interest. Riverside bonds are currently quoted $66 bid to $68 asked.

Particulars of the new plan may be obtained from W. F. McIlroy.

Raw Materials Hold Up Paints

Predictions that the paint, varnish and lacquer industry's supply of raw materials would be much increased at mid-year, and paint shortages correspondingly alleviated, have been badly upset by strikes and generally unsettled labor and production conditions in United States, the Maclean-Hunter magazine, Hardware and Metal, reports.

Here is its summary of the paint industry's raw materials position

Linseed Oil—Hope that increased 1946 flax crop will improve supply.

Tung Oil—Importations complicated by transportation difficulties in China.

Soya Bean Oil—Supply short—unobtainable for paint.

Castor Oil—U. S. stocks dwindling—imports uncertain.

Oiticica Oil—Fair supplies but stocks becoming depleted.

Fish Oils—No allocation for paint manufacture.

Shellac—Outlook not promising—stocks tightest in history.

Titanium—Demand far in excess of U. S. productive capacity.

Lithopone—Severe shortage likely to exist until greater supplies are available from Great Britain.

Gums — Supply situation looks brighter.

Synthetic Resins — Shortage of glycerine seriously affecting supply.

Cellulose Products—Fair supplies available.

Solvents — Good supply — no shortage indicated.

Dry Colors—Many raw materials and chemicals still in short supply—importations of dry colors from Great Britain small, with little increase for nine months.

Lead—Dry lead supply improved. White lead in oil short because of linseed oil situation.

Turpentine—Increase expected as U. S. production increases.

Driers—In good supply and demand.

Farm Returns Jam Tax Mill

(Continued from page 1)

taxes for the four provinces of Quebec, New Brunswick, Nova Scotia and Prince Edward Island, for example, was less than 1,800, compared with almost 29,000 for Ontario alone. No official explanation is offered, and while it is well known that the average cash return per farm in the Maritime Provinces and Quebec is well below that of Ontario or the Prairies, the enormous difference in the statistics is still striking.

In the 1944-45 year, only 800 farmers in the entire province filed an income tax return. Of these, only 93 were found assessable. (The number actually asessed for tax in Quebec in 1944-45 was 251; tax officials in that province apparently cleaned up some back assessments, unfinished from previous years).

Saskatchewan shows the largest number of returns filed. The 33,000 figure in that province is sharply higher than in previous years. In 1943-44, fewer than 18,000 returns were filed in that province and in the year previous, fewer than 8,000.

Manitoba (with 26,000) had almost as many returns in the previous year (21,000) and about 8,000 in the year before that. Ontario, with 29,000 came up from 17,000 returns filed in 1943-44, and 7,000 the previous year.

By provinces, is is disclosed that in 1944-45, only one out of three assessments was being completed in the following provinces: Saskatchewan, Alberta, British Columbia, Nova Scotia. Percentages were high in both Ontario and Manitoba.

NORTH WEST BREWING CO. 1945 net profit was off slightly at $92,762. Net sales were $1,362,227, against $1,122,686 for 1944. Investment in bonds was increased by $39,650, bank loans on same being increased by $25,000. Directors have placed orders for replacements, changes, and additional facilities made necessary by past and potential increased business, which will involve considerable capital expenditure this year.

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Thirty years ago there were very few large departmental or chain stores. Today, prosperous companies in this field of business are as numerous as the cities in which they operate—and they form an important influence on the shopping habits of the consumer.

Despite very real shortages in some classes of consumer goods, sales of merchandise in the great department and chain stores are now showing an expansion beyond all previous experience. Moreover, their modern merchandising methods, advertising and display practices are more efficient than ever—features which should continue to obtain for them a profitable share of the consumers' buying power in periods of less active demand.

In this connection we draw your attention to A. J. Freiman, Limited, which owns and operates the largest department store in Ottawa. The recent issue of this company's 4½% Cumulative Redeemable Sinking Fund Preferred Stock commends itself to investors who wish to put their money to work at an attractive rate of interest.

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SINCE 1939

Amount paid to plant employees . . . . DOUBLED
Income Tax payments . . . . INCREASED SIX FOLD
Profits paid to shareholders . . . NO INCREASE AT ALL

Year's payments by Dominion Textile	Year ended March 31 1939	1946	Increase
To plant employees	$4,503,785	$9,297,538	106%*
To Income Tax	244,513	1,509,647	617%
To shareholders**	1,485,842	1,485,842	NONE

*68% out of this is wage rate increases; the remaining 38% is due to increased production since 1939.

**As of June 12, 1946, there were 3,765 shareholders.

DOMINION TEXTILE COMPANY LIMITED
"Cotton - the Master Fabric"

Tax Settlement Imperative

With the budget out of the way, Ottawa should immediately turn its attention toward a tax settlement with the provinces. The door is still open, if the recent ill-fated conference is considered, as it should be considered, merely adjourned and not ended.

But there must be a fresh approach. All parties should be prepared to make concessions in the interest of a permanent settlement. There was far too little of this spirit last time and also far too little consideration for the taxpayer who ultimately must pay the bills. There is a limit as to how much he can afford and that limit is probably much below what some of our optimistic planners pretend to believe.

The present situation is far from satisfactory and may become intolerable. As the Winnipeg Tribune points out: "Provincial governments, businesses, investors and individuals are marking time, waiting to hear where the money is coming from, and what is to be paid in taxes. And this at a time when reconversion should be given every attention, and when budgets and plans are hanging in the balance all over the country."

In certain parts of the country, notably the Maritime and Prairie provinces, there is a distinct threat of new and restricting levies on business. There may be special taxes on goods and services coming into these provinces from other parts of Canada. We have not been altogether free from provincial and municipal tariffs in one form and another, but the development so far may only prove a faint shadow of what is to come if the various governments of this country fail to reach some permanent and equitable tax settlement.

Even if any new taxes could be levied without hardship—and most citizens will be unconvinced—there is certain to be great waste and loss in collection. Collection costs, always a substantial factor, will be duplicated.

Aside altogether from any legal rights, it is perfectly obvious that with the income tax, for example, the Dominion Government can handle the considerable and expensive job of collection far more economically than nine separate provincial agencies.

And the threat does not end with heavier and more complicated taxes. There is almost sure to be more direct competition for private industry from state enterprises. Certain provincial governments have intimated that, failing a general tax settlement, they may embark on straight commercial ventures with a view toward bolstering income. Whether the latter hope is realized or not, the experiment is bound to be unsettling, to say the least, to private and heavily taxed competitors.

And the folly of it all is that none of this uncertainty, confusion and waste is really necessary—nor will it be accepted easily by the general public. All that is necessary is a determination on the part of all parties that a settlement is imperative.

More Than MLH&P at Stake

Shareholders of Montreal Light, Heat & Power, as expected, rejected the offer made by the Quebec Hydro-Electric Commission for their expropriated assets. Next step will be determination by an appropriate tribunal of the amount of the indemnity to be paid.

It is to be hoped that the work of the tribunal will commence shortly and that a final and just price be arrived at promptly. Failure to settle the present issue on an equitable basis would be a serious blow, not only to a large group of investors but to Quebec generally.

At staks is the reputation of Quebec for fair dealing with private capital. Unless the provincial legislature proposes to turn its back on economic history, it should realize that production is the basic source of income. But production, and the higher standard of living which it affords, won't be forthcoming in any volume as long as the present impasse remains unsolved. Capital is mobile and, other things being equal, will always move to those areas where a political climate more favorable towards its functioning exists.

Quebec stands very high among Canadian provinces in the advantages which it has to offer investment capital. But capital, with its new jobs, new industries and new production, will not be attracted unless assured of fair treatment.

Production Is the Key

"If we are to have a higher standard of living we must have more goods and services. Real standards come from production not from the printing of a note issue."

That blunt and common-sense warning comes from an outstanding labor union leader—F. P. Walsh, president of the New Zealand Trade and Labor Council. In a carefully prepared report dealing with postwar stability this labor authority says that the only way we can achieve a better life is to produce more goods. Higher wages and shorter hours, he tells his followers frankly, will get us exactly nowhere unless there is a greater flow of goods and services.

Mr. Walsh's views, outlined in detail in a special article at the foot of this page, apply with just as much force to Canada as they do to New Zealand. They can be studied with profit by every person who is genuinely interested in seeking a better way of living.

Harvesters' Excursions Reversed

Scores of thousands of eastern Canadians would never have seen the prairies had there been no harvesters' excursions. For a few dollars, early in the century, young men from the Maritimes, Quebec or Ontario could get a one-way rail trip west. There they were assured of five to ten weeks' fall work in the grain fields.

Now the excursions are being revived but this time in the opposite direction and earlier in the season. Some 2,500 men from Manitoba, Saskatchewan and Alberta are coming to Ontario this summer to help with haying and harvest.

Some observers may be puzzled by the reversal of direction, but the main reason is simple enough. It is mechanization of prairie farming.

With implements, bigger, better, faster and doing more jobs than were thought possible a few decades ago, grain farmers need little extra help at harvest now. The big job in the old days was stooking—picking up the sheaves the binder had dropped, and standing them upright in rain-shedding stooks or shocks. It was back-breaking, hand-blistering work and meant trudging from twenty to thirty miles a day.

Even at what were for those days fantastically high wages, it was hard to get sufficient good men for that job. Now over wide areas of western Canada, there is no more stooking, the combine which cuts and threshes the grain in a single operation, has ended that. And there have been similar, if less spectacular savings, in hand labor in all field work.

As a result, the wheat country can now spare some help during the early part of the summer or at the very time Ontario farmers face their biggest rush.

Thousands of Kurt Meyers

Because he is a potential leader around whom the German nazis might some day rally, the Canadian army officer who prosecuted Kurt Meyer suggests that under no circumstances should we ever release that state prisoner. Some people seem to have taken this suggestion seriously, even going so far as to advocate a special revision of the Criminal Code to prevent any reprieve in this particular case.

If future wars with Germany can be prevented so simply, then by all means let us keep General Meyer locked up, whether he personally deserves it or not. Unfortunately, however, war prevention is not as simple as that.

Does anyone seriously believe that if Hitler had been kidnapped or assassinated 10 or 15 years ago this act alone would have prevented the war? There were literally thousands of Germans who would have stepped into his shoes.

Hitler was a product of the times, a natural leader who, backed by an organized group of hoodlums and facing no real opposition, eventually grabbed all power in Germany. The political climate in that country almost all the time in between the two Great Wars, favored such development and Hitler happened to be the handy tool. Given similar conditions in the future another Hitler or a dozen of them are certain to emerge.

All the jails in Canada could not hold the potential leaders of another war even if we were sure of finding them. The point we must keep in mind is the prevention of conditions which might lead to the point where power mad leaders are naturally spawned.

Let's Have the Statistics

The Air Transport Board of Canada has stopped publishing a very useful and informative publication called "Operating Statistics of Domestic Air Carriers" which appeared several times in the early part of the year. From now on, statistics on air carriers are to be compiled in co-operation with the Dominion Bureau of Statistics. The Bureau will do the publishing.

But new, co-operative figures issued for the first time a few days ago, fall seriously short of the comprehensive and illuminating reports issued by the Air Transport Board. The reason is very simple: the DBS cannot, by the powers of its statute, publish any figures of individual carriers. The only figures it is authorized to publish, show combined results all lumped together. Meanwhile it has been found that the Air Transport Board has been beyond its authority in publishing these figures. So the month-by-month returns on Canadian airways falls by the wayside.

All that is needed to rectify this situation is a very simple amendment to the federal Statistics Act. The DBS has for years published individual company statistics on railways, both steam and electric. Apparently the act, when drawn in 1919, didn't think about air travel; so no mention was made of this form of transport.

What is not understandable is why this simple amendment to the Statistics Act hasn't been brought into Parliament this year. Parliamentarians have plenty of time for trivialities; they could surely find time for a matter which would provide this country with useful, informative figures comparable to those which are published regularly in the United States and other countries about the operations of air carriers.

For Freer Competition

Revisions to the Combines Investigation Act, shortly to be discussed before Parliament, appear to be giving back that body some important and inquisitorial powers which it lost back in 1935 and 1937.

But the argument behind this revision is important.

It is this: that one job of government today is to clear the way for private enterprise and the return to free competitive conditions such as went by the board for obvious reasons in war years.

As we all know, competition in most lines of business was one of the first casualties of the war. The government became the chief, if not the only customer. Shapes and styles were standardized; prices were controlled. Consumer preferences were put to one side.

Some businessmen would like this controlled economy to continue, so far as their own line is concerned. They find it easier to have competition stilled or chloroformed; they want to continue through their own association or trade body, rules and regulations which the government only imposed with reluctance to meet a wartime emergency.

But there is a big difference between war and peacetime rules in this sort of game. Controlled competition in peacetime too often means that public interest becomes secondary to the overriding interest of the few.

That is the argument behind a strengthened procedure and machinery in the investigation of combines. It is a good argument so long as the extended powers now being sought are not used (or rather misused) to witch-hunt and persecute legitimate and straightforward competitive enterprise. The pros and cons of this argument are due for an airing in Parliament shortly.

Stop Me If —

Old Farmer Bates was pointing out the merits of the neighborhood to his newly arrived lodger.

"There's a church near," he said, "but I never puts my nose in it."

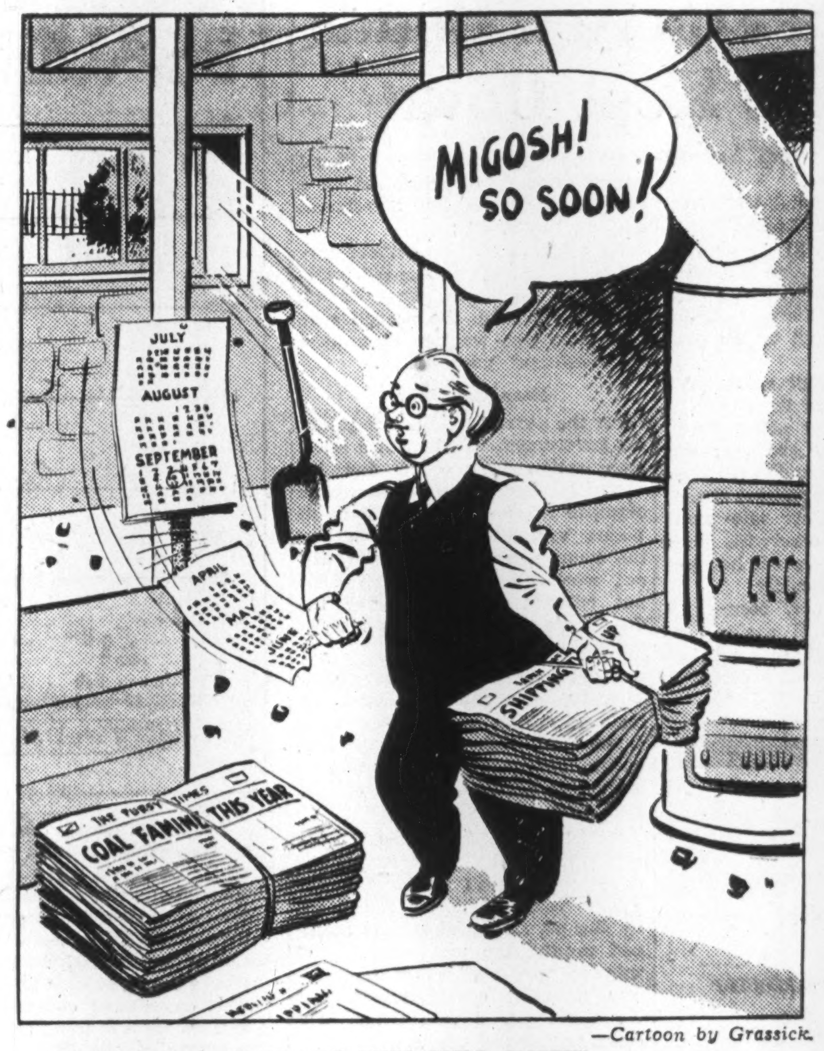
"Why?" asked the visitor. "Is anything the matter with the vicar?"

"No," was the reply, "but it's this way. I sold the old vicar milk and eggs and butter and cheese, and seeing as he patronized me, I patronized him. But this new chap keeps 'is own cow and 'ens. 'If that's your game,' I thought, 'we'll 'ave 'omegrown religion, too!'"

• • •

A grouchy naval officer fell overboard and was rescued by a sailor. When he spoke of a reward, the sailor said:

"The best way to reward me is to say nothing about it. If the other fellows learn I pulled you out, they'll throw me in."



—Cartoon by Grassick.

"AND THE BIN'S STILL EMPTY"

Post Scripts

He Heads the Gallery

For its new president this year the Press Gallery at Ottawa picked Morris McDougall, who represents at Ottawa that staid and distinguished journal, the Christian Science Monitor. He heads the Gallery of Boston.

MR. McDOUGALL

McDougall himself is a distinguished-looking person with silvery-grey hair., He might more easily be mistaken for an honorable senator than a newspaperman. He follows in the footsteps of another distinguished journalist, Percy Philip of the New York Times, who has been president of the Parliamentary Press Gallery for the past two years.

McDougall is a member of an old and active Canadian family. His grandfather migrated from the Isle of Mull, Scotland, many years ago and became the Hudson's Bay factor at Chats Falls on the Ottawa, near Arnprior. This same McDougall was a member of the United Canada parliament for a short while in the 1850's.

Like many another Scots family in the Ottawa Valley the McDougall's were interested in lumber as well as politics. Morris McDougall's father served in Parliament, but in the depression of the 70's lost both his business and his seat. He was, however,, named auditor-general, a position he held for 30 years.

After an honor course in political science at the University of Toronto, Morris McDougall went into the accounting side of business. For a time he was with General Electric in Schenectady in the treasurer's department; then he was auditor for several firms in the united States; was there for nine years until the outbreak of the First Great War. He went overseas with a Canadian regiment but got a commission in the Imperials and went to Mesopotamia. While serving in the Near East he became proficient in Arabic; found time as well to write a novel, "Shadow of the Mosques," which was subsequently made into a movie. After the war McDougall elected to stay on and serve with the British in Afghanistan. Again his experiences read like something out of the Arabian nights; were, in fact, the source of a second novel. One long-to-be-remembered incident was the purchase of a $1,500 shaving brush which turned out to be infected with the dread anthrax. The brush, of course, merely an imitation badger, didn't cost anything like $1,500 but by the time hospital and other bills were paid, that was McDougall's total expenditure.

A brother cabled about the setting up of a lumber trading firm in London and the Continent. Morris left the Army and was shortly embroiled in a contract centring around the supposed delivery by the Russians at Archangel of a million railway ties. The contract was made, but the ties weren't there. So the McDougall brothers found themselves spending a number of eventful years in the Baltic countries and Poland, making good on the supplies.

Morris McDougall set up a trading business of his own in Warsaw; spent his time between that city and Riga, Danzig, and other trading communities of the Latvia, Esthonia and Lithuania triangle.

The illness of his mother in Ottawa brought Morris McDougall home. He took up newspaper work. A few years ago he became the regular Ottawa correspondent of the Monitor.

Morris McDougall is a bachelor and very fond of a good cigar — a vice which the strait-laced Monitor overlooks, in order to have its Ottawa representation in such excellent hands.

• • •

Fur Specialist

The Saskatchewan Government, which for the past two years has watched a million dollar take of furs from Manitoba's muskrat development projects in the Summerberry marshes of the Saskatchewan River Delta, is planning some fur projects of its own.

DR. KIRK

Knowing that success of fur production under man-imposed controls requires some technical direction to keep the fur-bearing animals robust and healthy, its government has taken Manitoba's young Dr. Robert James Kirk, superintendent and pathologist of the experimental fur farm at the University of Manitoba. Dr. Kirk has accepted a position with the Saskatchewan Government as supervisor of fur farms.

Fair and slight, with the quiet demeanor which usually marks the research student, Dr. Kirk is only 32. Opportunities in the field of animal pathology in which he has specialized have in recent years been widened by developments in the fur industry. Since earliest time production of fur from the wild has been responsive to the age-old "fur cycle" and from year to year it has been widely variable. The fur farm has now become the balance wheel of the fur industry.

In its wider sense fur farming includes government developed projects and registered trap lines from which fur is taken in the wild but under conditions fixed by man. In all these projects there is the constant threat of maladies and contagions which indicate animals are exposed to dangerous environment hazards. Domestication of any wild or semiwild animal may exclude the visible plunderer but its is more apt, through mere congestion of population, to increase the lurking invisible ones.

To diagnose these and control them is the science to which Dr. Kirk has applied himself. As a boy he was most in his element when rendering his services to cure ills of the family cat. His big concern was for sick animals. Born in 1914 in Omaha, Neb., when very young he came with his family to Manitoba. He was educated in Winnipeg schools and graduated in agriculture from the University of Manitoba in 1936.

On his graduation he applied for a small salaried position as an attendant at the fur farm. To get more knowledge on how to minister to animal ills he asked for leave of absence to attend the Ontario Veterinary College at Guelph. He took his degree as Doctor of Veterinary Science in 1941, returned to Manitoba, and started on his own to work out a program for disease prevention among fur-bearing animals.

When an epidemic broke out in the Winnipeg area Dr. Kirk was ready. Distemper vaccine was prepared and distributed. Kirk had learned how to make it from an established formula when attending veterinary college. When he proved to his department that this was the most effective method of control, the Government adopted it as a policy.

Apply the knowledge of feeding, housing, and the ordinary principles of sanitation to the fur industry, says Dr. Kirk, and many of the hazards of fur production will have been removed. Others may come but study and research can probably head them off when they arrive.

Full Production Is Key to Better Living

Labor Must Work Harder Is Blunt Warning of NZ Union Leader

Below is briefed a report of F. P. Walsh, major New Zealand labor leader, on "Economic Stabilization in the Postwar Period."

Mr. Walsh is president of the New Zealand Trades and Labor Council; president of New Zealand Seamen's Union; representative of the Federation of Labor on the New Zealand Economic Stabilization Committee.

Mr. Walsh's statement was submitted as a report to the Federation of Labor. It has been receiving wide attention and acclaim in New Zealand as a highly constructive contribution to labor thought and policy in that country.

"The next two or three years will be critical ones for the future economic development of New Zealand. If we fail to pursue sound economic policies in the next two or three years, damage will be done which will jeopardize our progress in later years.

"The labor movement is interested in improving its conditions and in raising the real standard of living. Strange as it may seem to some people, there is no conflict between these ideals and the benefit of the whole community. If the movement succeeds in improving the real standard of living, it benefits not only itself but the whole country. But there is only one way, in which these ideals can be realized—and that is by the production of more goods and services. We must not lose sight of this fundamental economic principle, because everything else depends on it.

"The gap between money and goods should be adjusted—by more production. This is where workers can do a real job. Provided we can get raw materials, it is within our own power to produce more goods and bridge the gap between money and goods. If we do not close this gap by our own productive efforts, it will be closed for us. It will be closed perhaps by an inflation of prices, perhaps by a deflation of money and incomes. Both of these things are poison in the economic structure. No effort should be spared to avoid them and to adopt the only sensible way out—namely, increased production.

Can't Afford Strikes

"And nothing should be allowed to interrupt the productive system. We cannot afford to have stoppages of production. Machinery exists in the Federation of Labor and in the Government for the settlement of industrial disputes. This machinery is adequate and is there to be used. The history of disputes shows that it must be used at some stage and therefore the most effective way for our movement to use it is before the stoppage occurs. Every time a stoppage occurs, not only are wages lost, but goods are lost which are essential to the attainment of a higher standard of living — our primary objective.

"The battle for minimum wages and living standards for workers has been fought and won. We are now past that stage. It is now a question of the distribution of the flow of goods and services which form the real income of the community. Unless the goods and services are being produced, it is not possible to distribute them. It is labor's responsibility to work for the maximum production of goods and services, and anything which stands in the way of this is contrary to the best interests of the movement.

"The only solution to our problem is increased production. I stress again the point that if we are to have higher standards of living we must have more goods and services. Our movement is no longer just fighting for wages. We want to increase actual standards of living. To do this, we must increase production. Real standards come from production, and not from the printing of a note issue.

"I am not here to persuade you to adopt certain economic theories; I am here to persuade you that the trade union movement can't afford to be without a knowledge of economic facts and policy based on those facts. For the greater part of its existence our movement has been primarily a defensive organization; its purpose has been to defend the workers against exploitation and to ensure them certain minimum living standards. In other words, the basis of the wages system was the minimal needs of the working class family. Necessarily, this meant that the trade union movement had a somewhat negative attitude toward economic problems.

Labor's New Role

"Today the situation is very different. In this country at any rate the battle for adequate minimum wage standards has been won; and the tendency is now for our movement to base wages on the productivity of the economic system. This means that we must have a positive approach to economic problems, because every gain in production means a gain to the workers. We can no longer stand apart from the economic system and throw the responsibility for its smooth working on employers or the Government. We are asked to contribute something more to the economic system than our labor; we are asked to play a part in solving its problems and in improving its efficiency.

"For our movement to become a really effective force in the productive structure of our country it is imperative that we have discipline within our own movement. Individual and undisciplined action by parts of the movement weakens the strength of the movement as a whole. The unions must take steps to prevent such action, since any gains which are made by this expensive method, involving losses of production, could in fact have been gained through the normal machinery provided by the Government.

"It may be said that New Zealand has been more fortunate than most countries in avoiding industrial disturbances. Credit for this achievement must certainly be given to the Federation of Labor and to the Government. But we must not let the matter rest at that. The movement has a fundamental duty to itself and to the community to do everything in its power to increase the production of goods and services. We must perform this duty by all means within our power, otherwise we sacrifice the goal of higher standards of living for all."

What Others Are Saying

Editorial of the Week

It's Your Money

Sherbrooke Record

One of the characteristics of popular thinking on financial matters appears to be the failure to realize that governments have no money of their own. No government can pull money out of thin air when it has to meet this or that demand. Anything it spends must come from the pockets of the taxpayer. In a municipality, the property-owners foot the bulk of the bill. The residents of a province must pay for the extravagances of its administration, while the country as a whole must ante up to meet the costs of the Dominion Government.

When everything is levelled off, the individual must pay for everything he gets from the government, the more the government hands out in bonuses, the more it must collect in taxation. But if through hard work and greater production, the national wealth is increased, the receipts of the various governments will increase. This, in turn, will permit the expansion of government services on the same taxation base.

But until the present popular aversion toward an increased production campaign is changed, it is the duty of all governments, whether Dominion, provincial or municipal, to keep a close check on their expenditures.

Canadians complain loudly of their taxation burden. And they have reason. But a frank examination of the situation will reveal that much of this burden is self-imposed, being created by the demands of pressure groups for additional government services or for extensive subsidy payments. Under such circumstances, it is hard for the politician to resist these demands unless the great majority of the electorate exercises some straight thinking on the matter of public moneys.

Other People's Views

CBC'S OPERATING DEFICIT will not be popular and under present-day conditions shouldn't have been necessary, in the opinion of the **Peterborough Examiner,** which comments: "The Canadian people, we believe, are in no mood at the present time to pay deficits on publicly operated enterprises, and we would suggest that the Parliamentary Committee make a thorough probe of the revenues and expenditures in order that these deficits will not become an annual affair."

ENFORCE THE LAW against illegal strikes, urges the **Vancouver News-Herald.** "Walter S. Owen, K.C., Vancouver lawyer, points out that a number of unions in British Columbia—like the I.W.A., which has been paralyzing the lumber industry — have called illegal strikes and have made a success of them by dodging prosecution and making gains. He warns that unless action is taken, this profitable flouting of the law will continue. There have been half a dozen strikes of recent years brought about by major industrial unions. In no case have there been prosecutions, and in each case the union has gained most of its points. The federal laws on this subject should be observed and enforced. There is only one agency to maintain the law, and that is the Government."

A TRIUMPH FOR BIGOTRY AND IGNORANCE, says the **Calgary Herald** of the Canadian Legion resolution barring membership to draftees. "The whole effect of the resolution will be to further inflame the wounds which the war has already inflicted on our national life. Intolerance breeds intolerance. And we have quite enough intolerance in Canada already. Furthermore, it puts the Legion in a very odd position. That organization has campaigned, and will doubtless continue to campaign, for compulsory military service. But how can the Legion campaign for the draft on the one hand, and on the other hand treat draftees like pariahs?"

THE DOMINION-PROVINCIAL CONFERENCE should be reconvened just as soon as the budget is out of the way, asserts the **Ottawa Journal.** "There are some who seem to think, judging by their talk, that the Dominion-Provincial Conference is over and done with. The Dominion-Provincial Conference merely stands adjourned, and it is Mr. King's business to reconvene it. No reason at all exists for belief that, reconvened, it will fail to agree."

The Financial Post

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June 29, 1946

Reconfederation Feuds Flare Anew On Eve of Confederation Birthday

The battle of reconfederation raged apace, as the Dominion neared the 79th anniversary of Confederation. Four provincial premiers joined in the fray on the issue of centralized versus localized authority.

Manitoba's Stuart Garson insisted that the discussions broken off in early May were "suspended, not terminated"; and reiterated his charge that Ontario had made progress impossible at that time, by demanding a $134 millions boost in the ante to be paid the provinces (over and above the $198 millions offered by Ottawa). Other contributors to the long-distance debate were:

Ontario's George Drew: "It is impossible to administer a country the size of Canada from one central point. If Canada were to start all over again today, I am convinced we would have the same system of government, with the Federal Government handling national and external affairs, and the provincial bodies administering matters close to home. The closer we keep the Government to the people, the better. Anxious though we are to assist other provinces, we are not going to enter any agreement that will lower Ontario standards."

Quebec's Maurice Duplessis: "We are ready to collaborate sincerely and loyally, but we shall never become the accomplices of centralizers, nor will we acquiesce to the violation of a pact of honor between the two great races of the country. It is easy to foresee what would become of Quebec, and probably other provinces, if Canada were governed by a sole government at Ottawa—a Government controlled by radicals, Socialists, Communists and others."

New Brunswick's John Babbitt McNair: "Sectional and provincial interests, which refused to recognize that national powers should be used to promote the welfare of all Canadians, caused the breakdown of Dominion-provincial negotiations."

Quebec's (ex-premier) Joseph Adelard Godbout joined in the controversy, accusing Duplessis of "an attitude of chicanery, aimed at making Quebec an Indian reserve;" insisted "the people of Quebec, the first Canadians, should preach unity, not isolationism;" derided Duplessis' claim that he was defending the province's autonomy: "The Government at Ottawa is not the Government of a foreign country; it represents all the people of Canada; there must be co-operation between the provinces and the Federal Government."

• • •

Prince Edward Is.

Warn Bootleggers Off

With liquor sales mounting since the Province liberalized its legislation early this year, authorities warned that bootleggers, rumrunners and other law violators would be shown no quarter. Four extra RCMP officers were added to the province's detachments last week, with six more reported on the way, following reports that illicit rum was being landed from St. Pierre.

The province awaited opening (promised "almost immediately") of its first fisheries inspection station. Island canners had long pressed to have a grading unit on the Island instead of having to send samples from each pack to Halifax station for inspection—thus holding up deliveries of canned seafoods for several weeks. The new station will grade what is left of this year's lobster pack, but is principally concerned now with the grading of herring, mackerel and cod being put up for UNRRA.

Field crop prospects looked good, with heavy rains in April and May, and an even mixture of sunshine and showers in June. Grain crops are developing excellently, and planting of potatoes and other root crops is in full swing. Agriculture officials estimated potato acreage will be up 20%.

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Nova Scotia

Melon for Teachers

The province cut a $550,000 melon for benefit of school teachers; set minimum salaries of $900 a year, with gradual increases to $2,000; doubled the average 1939-40 salary of rural teachers ($552 then, now to be $1,100 to $1,200).

Convinced that Nova Scotia has oil, a group of Boston financiers pressed a hunt over a Pictou county area of 150 square miles; planned further surveys in Cape Breton next month.

The province saw hope of some relief from shortages of building materials, as naval authorities prepared to dismantle the $9 millions station at Deep Brook. Excluded from the program were 45 buildings taken over by the Federal Veterans' Affairs Department.

Bush fires proved an obstacle to Cape Breton lumbering; diverted several hundred woodsmen to Maine lumber camps.

The new, steel-hulled, three-lane ferry steamer Scotian, was scheduled to go into service between Halifax and Dartmouth early in July. Built at Pictou, the vessel replaces one destroyed by fire more than a year ago.

Simultaneously, Trans-Canada Air Lines announced a new air service to link Halifax, Yarmouth and Boston, this summer; also inauguration of 21-passenger Douglas airliners on flights to and from the province.

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Ontario

Raps Red Propaganda

Premier George Drew (also Education Minister) renewed his charges that Communist propaganda "designed to create in the minds of school children an unreal picture of Utopia in Russia," is being circulated in Ontario schools. He lauded the valor of Russian troops, and voiced hope that "their bravery may be rewarded with a semblance of freedom"; but insisted that Russians today "live under dictatorship far more cruel and more far-reaching than Hitler's Germany ever was."

Hamilton, "the Ambitious City," prepared to take the lid off, open her doors and throw away the key next week in celebration of her 100th birthday. Proud of having blazed a pioneer trail in more lines of industrial and municipal development, than almost any other city in the Dominion, she looked forward to greater expansion in her second century.

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Saskatchewan

Await Verdict in Morse

Eyes of the province centred on Morse this week, as three candidates went to the polls (June 27) in the third by-election staged since the CCF gained power two years ago. The Government hoped to elect James Gibson, farmer, as successor to S. M. Spidell (resigned). Liberals were confident Herbert Wiebe could redeem the seat for their party; but entry of Rupert Ramsay, provincial Progressive-Conservative leader, as a third candidate, admittedly threatened to split the opposition vote.

The campaign brought from Premier T. C. Douglas, a strong indication that the Government still plans to enter the pulpwood business, by building and operating a mill here: "With an abundance in Saskatchewan of pulpwood and sodium sulphate, I can see no reason for shipping the two products to eastern Canada, to be shipped back here as a finished product."

The long dispute over the Government's expropriation of the Prince Albert box factory came to an end with a court of arbitration awarding John Mitchell, factory owner, $58,903 (the sum agreed upon by the disputing parties, in addition to $12,597, already paid for supplies and materials). The factory was seized last November, following a labor union dispute.

Provincial control of consumer credit was admittedly under discussion between the Government and the Retail Merchants Association. The latter group reportedly favored a board representing merchants, consumers and government to license, regulate and inspect consumer credit. Government plans would have consumer credit regulated directly by a minister.

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Alberta

Test Bill of Rights

Long-awaited Social Credit was one step nearer realization (or annihilation) as the Government announced definite plans to test validity of its Bill of Rights, enacted in March. The Appellate Division of the Supreme Court of Alberta will be asked (probably at its September sitting) if the measure exceeds, either in whole or in part, the powers of the Legislature. Premier E. C. Manning, Attorney-General Lucien Maynard, have pledged they will carry the case to the Privy Council, if necessary.

"Glaring discrimination" against Alberta, has been "a consistent policy" of the Dominion Government, charged Provincial Agriculture Minister D. B. MacMillan. He was answering his opposite number in the Dominion Cabinet, Hon. James G. Gardiner, that Alberta and the Maritimes had done less to get war industries established than other sections of Canada. MacMillan insisted nondevelopment of new war industries here was "deliberate policy of the Federal Government"; also said "a thoroughly unfair" freight rate structure had hampered the province.

• • •

British Columbia

Shaken by Quake

The province rallied from its heaviest earthquake in years, this week (June 24); counted its damage in tens of thousands, but agreed that it might have been heavier. Courtenay, on Vancouver Island, where walls of buildings collapsed in the streets, bore the brunt of the tremor, which extended from Olympia, Wash., to the Okanagan Valley fruit belt.

The province voted this week to fill two seats in the three-member constituency of Vancouver-Point Grey, vacant through the deaths of Attorney-General R. S. Maitland, and S. A. Iwton, both Progressive Conservatives. A double Coalition victory was foreshadowed.

Anticipating early agreement between fishermen and cannery operators on prices, the province prepared for an historic season in the salmon industry. For the first time the Fraser River fishery came under regulation of International Pacific Salmon Fisheries Commission.

The pack will be divided as equally as possible between Canada and the United States by regulating fishing craft operations through declaration of close seasons in various areas, etc.

While the Fraser River is wholly in Canadian territory, the migrating salmon pass through American waters on their way to the spawning areas in the river. An eventual annual pack of $30 millions to $50 millions is forecast—a huge increase over the recent average.

BUSINESS THIS WEEK

	MAY	APR.	MAR.	FEB.	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	....	189.6	189.0	188.0	234.3
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	156.2	....	190.3	150.4
Dom. total expend.	....	122.2	....	218.0	162.2
MERCHANDISING					
Dept. store sales index no. (1) ..	....	213.4	222.2	162.1	164.8
Retail sales index no.	....	211.9	210.2	167.0	174.6
Wholesale sales index no.	....	238.1	234.0	210.4	197.3
Country store (% change pr. yr.)	....	....	....	+9.8	....
FINANCE					
Dividend payment index (5)	....	144.2	142.7	141.4	140.0
Bank debits (1)	....	....	191.4	181.2	225.2
Bank deposits index (1)	....	....	250.2	249.4	215.5
Money supply (millions $)	....	....	7,084	7,126	6,036
NEWSPRINT % OF CAPACITY					
Production ratio	....	....	92.8	92.8	70.2
Shipment ratio	....	....	89.0	85.8	71.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	184.4	187.9	198.5	182.5	214.2
Cars (D.B.S.) index	146.4	143.9	150.1	147.0	153.9
COST OF LIVING					
D.B.S. index	122.0	120.8	120.1	119.9	119.0
EMPLOYMENT INDEX, D.B.S.					
All industries	....	168.5	167.0	167.2	176.9
Manufacturing	....	185.0	182.6	182.8	212.9
Payrolls (June 1/41=100) (2) ...	....	129.3	137.6	135.7	143.5

	1946	1945	Jan. 1 to date 1946	Jan. 1 to date 1945	Change %
RAILWAYS—(000's omitted)					
■Carloadings (week June 15)	69.2	74.3	1,591	1,625	—2.2
■C.P.R. gross rev. (June 21)	5,270	6,353	131,913	145,633	—9.4
■C.N.R. fross rev. (May)	30,784	37,617	154,554	174,212	—10.1
■C.N.R. net rev. (May)	3,388	7,598	15,150	30,050	—49.6
C.P.R. gross revenue (Apr.)	22,548	26,400	93,709	100,032	—6.4
C.P.R. net revenue (Apr.)	1,203	3,014	5,480	9,030	—39.3
IRON AND STEEL (000's omitted) (Apr.)					
Pig iron production (tons)	142.2	156.1	587.0	627.3	—6.4
Steel production (tons)	247.5	274.2	975.2	1,070.9	—8.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Apr.) $ ...	75,919	34,296	194,005	78,602	+146.8
Building permits (Apr.) $	52,683	17,850	124,086	43,133	+187.4
Cement prod., bbls. (Mar.) $	603.8	381.7	1,187.7	748.1	+57.3
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Apr.)	2,217	2,126	19,744	18,621	+5.9
Flour exp., bbls. (May)	1,668	1,402	6,463	5,879	+9.9
Wheat exp., bush. (May)	15,497	29,125	69,421	67,190	+3.2
Cattle sales (May) (4)	82.3	128.5	598.0	671.9	—11.0
Hog sales (May) (4)	448.4	558.1	2,167.1	3,062.3	—29.3
SEA FISHERIES (000's omitted)					
Catch, cwt. (Mar.)	448.8	277.5	1,285.3	1,814.8	—29.2
Landed value (Mar.) $	2,021	1,579	4,347	4,242	+2.5
NEWSPRINT (000's omitted)					
Production, tons (Apr.)	338	245	1,309	1,014	+29.1
Exports, tons (Mar.)	320	267	922	716	+28.8
MINING AND OILS (000's omitted)					
Coal prod., tons (Apr.)	1,638.3	1,504.8	3,454.9	3,195.8	+8.1
Gold rec. (fine oz.) (Jan.)	248	233	248	233	+6.4
Petroleum prod. (brl.) (Mar.) ...	663.5	779.5	1,954.2	2,440.2	—19.9
ELECTRICAL POWER OUTPUT (000,000's omitted) (Apr.)					
Total monthly kw.h.	3,508	3,534	13,655	13,668	—0.1
FOREIGN TRADE (millions of $)					
Imports (Apr.)	160.8	133.8	558.0	508.4	+9.7
■Exports (May)	197.0	315.2	896.1	1,395.6	—34.9
FINANCE (millions of $)					
Bank debits (Apr.)	5,775	4,855	22,780	19,688	+15.7
Bond sales (May)	269.2	1,696.1	2,439.6	3,462.1	—29.5
Life insurance sales (Mar.)	101,992	54,413	271,561	152,127	+78.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
■Shoe prod., pr. (April)	3.9	3.3	14.8	12.6	+17.4
Cotton consump., lb. (Apr.)	13.9	13.2	57.4	56.8	+1.1
■Cigarette cons. (no.) (May)	1,158	1,199	5,770	5,702	+1.2

(1) Base period 1935-39=100.
(2) All industries.
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, ets.

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EVERYBODY SEES POSTERS

C. N. R. Returns Continue Lower

MONTREAL (Staff) — Returns of the Canadian National Railways System, all-inclusive, for May and the five months ended May 31, 1946, reflected effects of diminishing traffic. Operating revenues for the five months were down $19.7 millions (11.2%); operating expenses down 4.8 millions (3.3%; net revenues, $15.2 millions, down 49.6%.

Ratio of operating expenses to operating revenues at 90.2% was running above last year by 7.5%, reflecting the impact of smaller traffic on railway earning power.

Bowaters Boost Newsprint Output

MONTREAL (Staff)—Bowaters Newfoundland Pulp & Paper Mills Ltd. are speeding up their existing newsprint machines so that effective capacity of their mills will be increased by 12,000-15,000 tons yearly. The Financial Post is informed. This is in addition to their recent announcement to increase capacity 75,000 tons per annum through installation of four-roll newsprint machines at a capital cost of $7 millions.

When these developments are completed, Bowaters' mills at Corner Brook will rank as one of the largest producing units in the world, with a total annual saleable production of pulp and paper in excess of 355,000 tons. The expansion program will provide regular employment for 1,000 additional men in the woods and mills, The Post is informed. It is anticipated that the new machines will be in operation by 1948.

PURITY FLOUR MILLS LTD. reports further progress in simplifying its capital structure. The Montreal Curb market has been notified that the company had purchased in the open market, and cancelled, 1,000 shares of the cumulative redeemable preference stock. There have now been 3,000 shares of preferred stock of $40 par value redeemed and cancelled, reducing the total stock outstanding to 45,000 shares. In addition, the company in May cancelled $8.5 millions of general debentures held by the company's bankers as collateral.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 54 foreign countries. Please send your announcements to the same address.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact business firms directly and immediately.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below and please give the code number preceding the item.

(D123), INDIA — Large importer of bookbinding cloth, cloth felts and binding materials, supplying paper merchants and printers throughout South India, seeks source of supply for purchase in Canada, for any available quantity, payment to be made on a T/T basis. Interested also in securing agency for the following: azure laid account book paper, marble paper, fancy paper, straw boards, binding thread, bookbinding needles, printing machine, paper cutting machine and all stationery items.

(CM184), CHILE — Interest expressed in direct purchase of machinery for the manufacture of charcoal and wood briquettes, and barbed wire, galvanized iron pipes ½-in. to 2-in., galvanized iron sheets for roofing, iron rods ¼-in. to 1-in., by engineer in technical department of blast furnace, who requests details, including catalogues and price lists.

(U45), BRAZIL—Traveller seeks agency for textile products, dry goods sundries, and radios.

(CM186), AUSTRALIA—Engineer in railway workshops requests information, including catalogues, on equipment for arc welding and electronics applied to engineering.

(CM185), INDIA—Manufacturing company proposes to purchase machines for woodworking shop for making doors, window-frames, packing boxes, etc.; quotation asked on equipment, to be given for belt drive and individual electric drive; current available is A.C., 50-cycles, 3-phase, 400-volt; desires to purchase also two production lathes 6 in. swing and 5 ft. between centres, and one toolroom lathe same dimensions, fitted with relieving attachment.

(G97), SOUTH AFRICA—Firm of commission agents seeks representation of Canadian firms manufacturing engineering products and equipment, machine tools, etc.

(CM187), ARGENTINA—Equipment sought in Canada, including electric ovens and driers for ceramics industry, for use in the production of chinaware and porcelain.

(D124), INDIA—Hardware dealer seeks contact with Canadian manufacturers able to supply the following for immediate shipment: hardware tools, brass, copper, aluminum, phosphor bronze wires, sheets and rods.

Continue Education Service to Veterans

OTTAWA (Staff) — Educational services for veterans, similar to those offered during the war to all men in uniform, are to be continued under sponsorship of the Department of Veterans' Affairs, The Financial Post is informed.

The services will continue in charge of the educational services branch of the Canadian Legion. A grant not exceeding $400,000 has been set aside for this purpose for the period ending March 31, 1947, payable out of parliamentary grants made available for "post-discharge rehabilitation benefits."

The educational services will be available to all veterans without prejudice to other grants or benefits. Thus veterans in hospital or on the land are alike eligible. Previously the service had only been available to men in uniform.

In addition to pamphlets and study courses covering a wide variety of subjects and occupations, the service also includes a technical and occupational library. Books are available free on loan for an extended period to all veterans. A new series of agricultural pamphlets is now being issued for the use of veterans in isolated areas or on small holdings throughout Canada.

NEWFOUNDLAND LIGHT & POWER CO. announces plans to redeem all the outstanding 4½% first mortgage sinking fund bonds, due 1956, on July 19 at 101½% plus accrued interest. These bonds were dated Jan. 1, 1936, and were issued in the amount of $2,229,000. Bonds may be presented at principal offices of the Royal Bank of Canada.

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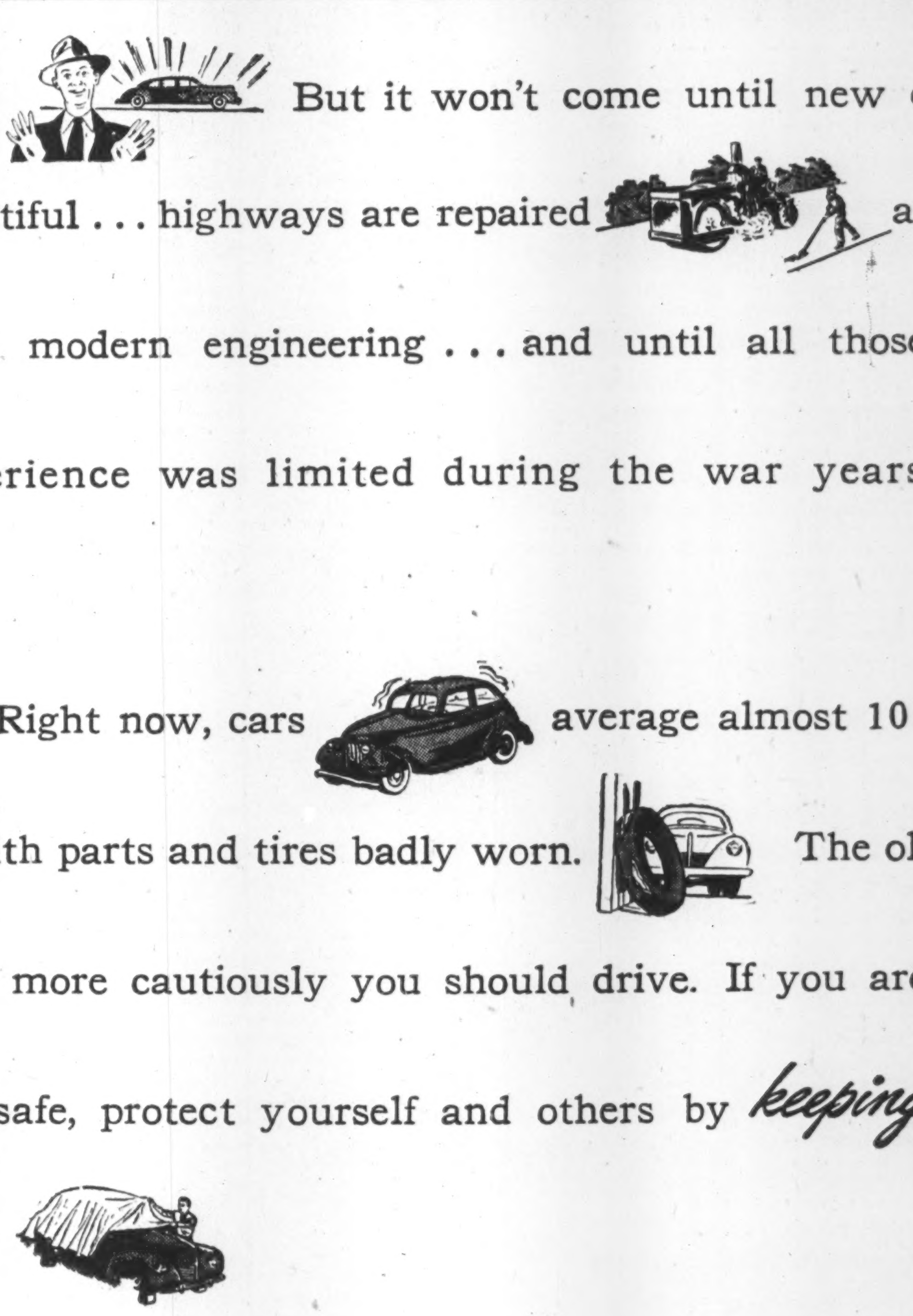
There's a great day ahead

for motorists! But it won't come until new cars and tires are plentiful . . . highways are repaired and made safe through modern engineering . . . and until all those whose driving experience was limited during the war years renew their skill.

Right now, cars average almost 10 years of age, many with parts and tires badly worn. The older your car gets, the more cautiously you should drive. If you aren't sure your car is safe, protect yourself and others by keeping it off the road!

You can help reduce the traffic accident toll which has been rising steadily since the war's end. For a check list of vital parts which you should have inspected regularly, and for driving suggestions on how you can help reduce traffic accidents, send for Metropolitan's booklet, entitled, "What's Ahead on the Highway." →

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TO EMPLOYERS: Your employees will benefit from understanding these important facts about safe driving. Metropolitan will gladly send you enlarged copies of this advertisement — suitable for use on your bulletin boards. Address your request to the Canadian Head Office, Ottawa, Canada.

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Alberta Fights Bacterial Wilt Among Alfalfa

From Our Own Correspondent

WINNIPEG—Production of alfalfa seed in Alberta was 25 times as high in 1945 as in 1938.

As its production has increased, to rank as one of the province's main crops, troubles have piled up. One of the biggest is bacterial wilt, a disease which threatens to wipe out the whole production.

Although recognized in the United States 20 years ago, not until 1939 did the threat make its first appearance in southern Alberta. Since then, R. W. Peake of the Dominion Experimental Station at Lethbridge, reports, it has spread like a prairie fire over the irrigated sections of southern Alberta. At present time every irrigated field of alfalfa three years old or older in sections of the province examined, has been found to be infected with it.

Bacterial wilt is caused by growth and development in the roots of the alfalfa plant. The bacteria enter the plant through wounds. As they increase, they obstruct the water-conducting vessels, slowing the movement of water and choking the plant, which wilts, and dies within three years.

Mr. Peake told the Western Society of Agronomy here that a study of the disease in different age stands at Lethbridge showed that first and second year plants were only 1% infected. In third year crops the infection was 21%; in fourth year 45%; in fifth year 65%, and sixth year 89%.

The disease is rapidly spread by run-off water under irrigation. It is also carried by the cutting bar of mowers. Research and plant breeding may conquer it, and already there are some encouraging signs. These, however, are still a long way from conclusiveness. In 1945 a co-operative project between the Lethbridge Experimental Station and the Dominion Laboratory of Plant Pathology at Edmonton was started to develop resistance.

Resistant plants were selected at Lethbridge last fall and forwarded to Edmonton, where they were increased by root cuttings during the winter.

These were returned to Lethbridge only a few weeks ago, suspended in a bacterial inoculum and planted in wilt-infested soil. In addition, breeding material from the Dominion Forage Crop Laboratory at Saskatoon and from the University of Wisconsin has been set out in the same way. Seed from the University of British Columbia has just been seeded and will be tested this year.

With good luck a new strain may save Alberta's alfalfa production.

Muskrat Harvest Is Near $1 Million

From Our Own Correspondent

WINNIPEG — Government-developed fur projects in Manitoba for the second year in succession have yielded a near-million dollar crop.

The auction sale here last week of the last lot of muskrat pelts taken in March and April from the Sumberberry marshes at The Pas, brought $437,000. Buyers were present from leading fur houses of the continent and bade the high-grade pelts to the highest price ever paid. Top price for No. 1 grades was $5.40.

A previous sale on May 21 where the offerings were slightly bigger, brought $538,000, bringing total gross receipts for the two sales to $985,000.

The number of pelts taken this year was fewer than last, but prices, higher by 20% to 25%, made total receipts a little higher.

Five-year Wheat Contract Seen Off Doubt Market to Reopen This Year

From Our Own Correspondent

WINNIPEG — After last week's halt in negotiations at Ottawa for a wheat contract between Canada and the United Kingdom, doubt is growing here as to conclusion of any such contract at present. Instead, it is believed postponement of negotiations for a contract extending over several years may be announced.

At the same time it is expected that the Government will announce continuance for another year of the export ceiling price of $1.55 for wheat, with perhaps concurrent announcement that the basic initial Wheat Board price has been increased from $1.25 to $1.35 a bushel.

Another probability is that the Government will announce an increase from $1.00 to $1.25 in the minimum price guarantee it has already given for wheat until July 31, 1950, although that guarantee is limited to authorized deliveries for each crop year.

There is no expectation here that failure of contract negotiations at Ottawa will lead to re-opening of the wheat market for the coming year. It is taken for granted that government policy is opposed to such price increase as would result from such action.

Monopoly to Continue

It is also taken for granted that it will be necessary, during the coming crop year, for Canadian wheat supplies to be allocated among different countries in a way which would prevent satisfactory functioning of the grain trade on a purely commercial basis, and that in consequence, continuation of government monopoly of sale is almost inevitable for another year.

Indeed, there has been no advocacy of re-opening the market this year, in spite of the fact that the current price basis has been criticized by both the North West Line Elevators Association and by the Winnipeg Grain Exchange, and the latter body, in a series of advertisements, has been critical of the proposed British contract.

Those advertisements, while obviously opposing steps which would mean continuing the Government wheat monopoly for five years, with possible permanent destruction of the functions of the commercial grain trade, have not, so far at least, suggested that it is either practicable or desirable for the Government immediately to discontinue its monopoly and to permit the free functioning of the commercial trade.

Opposition in U. S.

A principal reason, it is believed here, for a pause in the negotiations at Ottawa, lies in opposition from the United States to what is proposed. At Washington, opponents of the proposed loan to Great Britain, immediately seized upon news reports of contract negotiations as a reason for increased opposition, alleging plans which would be inimical to the future interests of the United States.

The U. S. administration, Washington dispatches suggest, would have difficulty in meeting that criticism, inasmuch as the contract proposed would seem to be in violation of the terms of the loan agreement. Grain men believe formal representations to that effect have been made by the State Department at Washington to Great Britain.

A more general criticism offered is that a contract with Canada which apparently might close the British market for five years to the wheat of other countries, runs counter to the principles for international trade enunciated by the United States in its proposals for a trade and tariff international conference.

See Threat of Resale

Ottawa dispatches attribute delay in negotiations to a deadlock in opinion between British and Canadian representatives as to the quantity which might be stipulated. British negotiators are said to want from 180 million to 200 million bushels annually, roughly equivalent to complete British requirements for consumption of imported bread wheat. Canadian representatives are reported reluctant to agree to more than 120 to 150 million bushels annually.

U. S. commentators see in the larger quantities mentioned a project for resale by Great Britain to the continent, interpreted there as threatening future American flour sales to the continent. Such resale would probably also be considered dangerous to Canadian trade interests on the continent, and as liable to future criticism, especially if it should involve destruction of the Canadian export flour trade. The Winnipeg trade would be surprised if the larger milling companies had not made representations to the Government.

Farmers Could be Roused

Another factor which might make the Canadian Government pause is demonstration within the last week that the agreement might make present price restrictions more unpopular instead of more acceptable to western farmers. So far, criticism from farmers of the present price limitation has been comparatively moderate in volume; but it could be whipped up as a result of controversy over a contract. Some farm organizations are beginning to question the present ceiling, and it is doubtful if many of them could continue quiescent if controversy develops.

Variations in possible size of the western wheat crop are also important. Just now prospects are generally good as a result of recent rains. A very large yield is foreseen in Alberta; better-than average in Saskatchewan, and perhaps average in Manitoba. A total of 400 million bushels, or more is considered a reasonable hope. But unfavorable weather in July might easily cut 100 or 150 million bushels from such figures.

But, whether the crop is large or small, it is expected all to be in demand during the coming crop year, and it would be considered impracticable to hold back supplies for the purpose of being able to meet commitments to Great Britain if a short crop should, next spring, appear in prospect for 1947.

BRYAN VAUGHAN

associated with the merchandising newspapers division, of Maclean - Hunter Publishing Company Limited, has been elected national chairman of the Canadian Conference of Business Newspaper Editors.

Breed New Grain Strains To Resist Rust Menace

From Our Own Correspondent

WINNIPEG—Science can't lag in the traces and take it for granted that present rust-resistant varieties of wheat have conquered rust, No. 1 enemy of Canada's wheat crop.

It is true that such varieties as Thatcher, now the most widely sown wheat variety on the prairies, and other varieties such as Regent and Renown, are now resistant to rust. But as in war, for every weapon of defense, some new weapon of attack can be devised to beat it, so with Nature's organisms.

At the annual meeting of the Western Canadian Society of Agronomy here this month, Dr. Thorvaldur Johnson of the Dominion Laboratory of Plant Pathology research staff, warned that the war against rust was likely to be never-ending, because new physiologic races of cereal rusts are developing.

New Threat in U. S.

About 1934 what he termed Race 56 became the predominant race of rust. In the 12 years since there have been no changes in physiologic races which need cause any present alarm, because they cannot do much harm to Thatcher, Regent, or Renown.

But rust species exist in other countries, Dr. Johnson said, which would severely injure them. One called 15B has been reported in the United States. Experiments have established that even the newer wheat varieties can be severely attacked by it. If it became widely prevalent, present resistance of these varieties would largely disappear.

On the other hand there was a bright spot in the picture in that the experiments showed three varieties little affected by Race 15B, at least under Winnipeg conditions. Neither was there much effect on progeny of their crosses.

Breed New Strains

Dr. Johnson said there was no present reason to believe that either Race 15 or its biotype Race 15B was increasing in prevalence. But it was wise, he warned, to prepare for possibility of their further spread by developing wheat varieties which would not be widely rusted by them.

Experimental crossings and selections are going on all the time in government laboratories, to head off new rust invasions if they ever come. Dr. R. F. Peterson and C. H. Goulden also of the Dominion laboratory at Winnipeg, told about Redman, a new hard spring wheat variety for western Canada, the result of 15 years' experimentation and testing, conducted under Dr. Peterson's supervision. It has already been approved, and about 900 bushels are being grown this year, most of it at experimental stations of the Dominion Government at Morden, Brandon, Indian Head, Melfort, Lacombe, and Beaver Lodge. It is expected to yield between 20,000 and 30,000 bushels, which will be distributed to farmers this fall.

Redman is of course rust resistant and has about the same degree of drought resistance as Thatcher. Tests have proved it well suited to Manitoba and eastern Sasatchewan. Other tests are being made to determine its adaptability to western Saskatchewan and Alberta.

Gt. Lakes Paper Earnings

A net profit of $840,000 for Great Lakes Paper Co. in 1946 would, if realized, mean earnings of $4.85 a Class A share and $2.35 a common share. This was incorrectly shown on page 5 The Financial Post last week as $3.85 and $1.35 respectively.

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Wheels of PROGRESS
CIVILIZATION'S advance probably began when, thousands of years ago, a nameless inventor put Progress *on wheels*. Although lost in antiquity is the beginning of the road on which the first wheels left their tracks, along it Progress lumbered forward through the ages.
But just 100 years ago, genius girdled the wheel with a further invention — the Rubber Tire. It put a *cushion between the load and the road*. It gave wings to wheels. It began a new era of speed with safety, comfort and *quiet*. The wheels of Progress were out of the rut!
Pioneers in the manufacture of pneumatic tires for the wheels of Progress, Firestone has consistently led the field with improvements.
Whether for higher speeds, heavier loads or longer-distance travel, Firestone has always been there *first* with tires equal to the test.
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WHAT'S NEW IN BUSINESS

Plug-in Pilot Light

Handi-Glow is a wafer-thin, neon light indicator, easily attached to any electric outlet, socket or power cord to tell at a glance whether the current is on or off. Retailing at 75 cents in Canada, the U. S.-designed Handi-Glow would use only one or two cents worth of electricity a year. Built for any standard 110-volt AC or DC outlet, it is a handy accessory to soldering irons, electric heaters, toasters, percolators, etc. It's soft red glow suggests possible uses in photographic dark rooms and as a night light!

* * *

Alarm Clock Substitute

A four-tube radio equipped with a clock device which can be set to switch on your favorite morning program even before you open your eyes, has been brought out by General Electric in the United States. In Canada, Canadian General Electric is reported working on a similar unit with added refinements.

* * *

Bushing for Linear Motion

New to machines is a ball bushing developed by Thomson Industries, Inc., to ease friction where round shafts are required to slide backward and forward. A few months ago a similar bushing was reported for square and hexagonal shafts, but this is first to accommodate a round shaft. Applications are seen in marine power and in rods connecting with control levers, perhaps as a means of substituting rods where the question of support has previously made cables necessary.

* * *

Things to Come in Offices

Desks with tops designed to reduce eye fatigue and wired for office machines and lamps, portable micro-filming machines, new types of recording equipment to supplement but unlikely to replace conventional dictating machines, simplified and cheaper metered mail equipment—these are some of the postwar office wonders which will appear in a burst of glory at the National Business Show, opening in New York at the end of September. Some of the new developments are expected to render present equipment obsolescent.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

* * *

Pacific Coast Lobsters

Thirty-four crates of lobsters, lifted from the waters around St. Andrews, New Brunswick, have been transplanted to British Columbia in an attempt to produce Pacific coast lobsters. About 2,000 snapping crustaceans went West in the first shipment.

* * *

Animated Sign Lettering

Inventor D. R. Sanfreed of Van Nuys, California, has turned out an electric sign with "animated" lettering. Produced in sizes ranging from 8-in. square counter displays to 35-ft. billboards, the heart of the Luma-Glo is a metal screen, moved by electro-magnets. Light from a fluorescent tube shines through the moving openings in this screen, giving life to illumination showing through the specially painted glass sign front. Signs can be changed in a matter of seconds, by hand in small displays, automatically in billboards. New to Canada, Luma-Glo arrangements have just been completed here.

* * *

Ocean Crossing by LORAN

Loran—long-range navigational—equipment has been demonstrated on the Atlantic crossing by an RCA installation in the Swedish-American liner, Drottningholm, running from New York to Gothenburg. A Pacific test on the J. B. Waterman, bound for China from the United States, has also been made. Loran receivers, used successfully by U. S. Army and Navy during the war, have been refined by RCA engineers for civilian use. The equipment enables a navigator to obtain an accurate measurement of his ship's position in two or three minutes in darkness and any kind of weather.

* * *

Self-contained Conveyor

Chain Belt Company in the United States is making a new, self-contained, factory-assembled, apron conveyor unit. Designed for heavy duty, it can handle heavy bins and hoppers for lump material such as ore and pit-run gravel and rock. at a normal speed of 10 ft. per minute capacities of these standard units have been run up to 80 tons an hour. The roller apron feeder is furnished in several widths and with centres ranging from 4 ft. 7 in. to a maximum of 9 ft. 1 in., varied by 13-in. increments.

* * *

Easier on the Guinea Pig

Development of electronic industrial instruments by Brown Instrument Co. has resulted in a boon to medical research workers. A three-point testing assembly, comprising an unbreakable stainless steel thermometer, an electronic-precision indicator that permits taking temperatures of 48 animals at one time in a matter of seconds, and an electronic recorder, has been built for laboratory use. It is said to eliminate manual difficulties and human errors in taking and recording temperatures of animals used in pyrogen testing. It does away largely with animal suffering and loss encountered with destructible equipment, it is said.

* * *

Keeping Tourist Men Posted

Vol. 1 No. 1 of a new "Information Bulletin" aimed at those interested in the tourist business by the Ontario Department of Travel & Publicity is just off the press. It follows less than three months upon the heels of the new department's creation under Col. Arthur Welsh. The monthly's four pages of information, styled like a miniature tabloid newspaper, carry tourist news, editorials, pictures.

* * *

Cold Water Heating

A city electrical engineer in Norwich, England, has devised a method of using cold water from the river for heating. He has developed a heat-pump, employing the principle that compression produces heat, and has succeeded in maintaining a temperature of nearly 63 deg. F. in a five-story building. It is reported that this compression-heating costs about one third as much as orthodox methods.

COMPANY REPORTS

FEDERAL FOUNDRIES & STEEL CO. reports 1945 net earnings of $44,658 ($70,680). The large carry-over of steel following cessation of war, the reconversion of industrial plants and the unsettlement of labor, all tended to delay demand for specialty steels. But today the company is experiencing steady and increasing demand, resulting in a renewal of profitable operations, with large bookings of steel ahead in higher-priced lines than during the war, President E. A. Wilson stated.

PROFIT AND LOSS ACCOUNT

Years Ended:	Dec. 31 1945	Dec. 30 1944
Net earnings	$44,658	$70,680
Less: Interest	31,498	33,584
Depreciation	13,160	37,096
Net profit	nil	nil

CONDENSED BALANCE SHEET

As at:	Dec. 31 1945	Dec. 30 1944
Cash & Dom. bds.	$125	$30,147
Accts. rec.	39,278	57,130
Inventories	152,663	216,375
Total curr. assets	192,066	303,652
Def. & prep. chgs.	64,038	59,327
Fixed assets	1,121,669	1,093,737
Total assets	1,377,773	1,456,716
Bank loans	57,771	61,848
Accts. pay.	37,137	100,638
Other curr. liab.	16,037	13,536
Total curr. liab.	110,945	176,022
Funded debt	495,000	500,000
Notes & loans	94,654	117,826
Bad debts res.	2,948	2,948
Deprec. res.	158,320	145,160
Capital stock	536,255	536,255
Distrib. surplus	59,000	59,000
Capital surplus	1,146	......
Less: Deficit▲	80,495	80,495
Working capital	81,121	127,630

▲In 1945 and 1944 net profits transferred to depreciation reserve.

GAIR CO. OF CANADA 1945 retained net profit was off narrowly despite a $600,000 increase in net sales and a sizeable reduction in income tax provision. Wage adjustment's and higher prices for certain raw materials, such as fuel and chemicals, reduced profit.

Paperboard production was 47,945 tons (48,068 in 1944). Total sales of all products of company and subsidiaries were 73,387 tons (66,757 tons).

Holdings of common stock of Dominion Envelope & Cartons (Western) Ltd. at year end amounted to 60,080 or approximately 91%.

Waste paper situation is still critical. Should conditions improve, an attempt will be made to reopen the Dominion Mill as the demand is sufficient to insure operation at capacity for a considerable period.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31	1945	1944
Net earnings	$914,583	$997,617
Less: Deprec.	233,784	227,988
Bond interest	53,721	55,491
Int. on notes, etc.	22,096	35,945
Subsid. min. int.	20,029	26,941
Income tax res.▲	350,611	411,998
Net profit*	234,342	239,254
Less: Dividends	161,525	......
Surplus for year	72,817	239,254
▲Incl. refund. EPT	35,239	43,827

*Note—Co's. report includes ref. EPT in net profit and surplus for year.

Times All Interest Earned:		
Before deprec.	12.06	10.91
After deprec.	8.98	8.42

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & mkt. secs.	$582,070	$619,654
Accts. rec.	921,374	626,299
Inventories	1,023,517	1,140,045
Total curr. assets	2,526,961	2,385,998
Life ins., c.s.v.	2,700	2,520
Misc. assets▲	188,917	152,291
Inv. in affil. co.	73,800	73,800
Fixed assets*	2,468,092	2,547,695
Total assets	5,260,470	5,162,304
Total curr. liab.	777,968	731,507
Notes pay., Gair Co.	400,000	400,000
Funded debt	859,600	887,600
Min. int. in subs.	240,810	269,957
Capital stock	923,000	923,000
Capital surplus	9,075	8,279
Earned surplus▲	2,050,017	1,941,961
*After depr. of	2,131,238	1,926,651
▲Incl. ref. EP T.	131,283	96,044
Working capital	1,748,993	1,654,491

PACIFIC PETROLEUMS participated to extent of 50% in completion of three additional wells in Turner Valley in 1945. The wells have proved productive and company's portion of revenue should more than offset natural decline in production of older wells in ensuing year, President N. R. Whittall states.

Company acquired a lease in Cat Creek, Montana field, at a reported attractive price and production of a high gravity crude oil has been found within 500 ft. of the property. Pacific drilled four wells on sites offsetting producing wells and discontinued drilling of a fifth well when water encroached into the offsetting producing well.

INCOME ACCOUNT

Years Ended Feb. 28:	1946	1945
Net inc. from oper.	$240,339	$183,103
Add: Invest. inc.	17,063	24,017
Repay. on Drillers & Producers' debents.†	82,033	78,842
Other income	543	13,020
Net revenue	339,978	298,982
Less: Adm. & gen. exps.	17,812	16,201
Interest	503	338
Devel. exp. res.	65,686	194,491
Unpro. dev. w/o	......	1,609
Inv. res. & acct.	82,034	102,859
Net profit & surplus	173,943	■16,516

†Applied in reduction of investment.
■Deficit.

Earned per Share	$0.139	d$0.017

No dividends paid.

CONDENSED BALANCE SHEET

As at Feb. 28:	1946	1945
Cash & govt. bds.	$68,764	$22,877
Accts., etc., rec.	101,375	82,559
Inventories	69,083	12,915
Total curr. assets	239,222	118,351
Prep. chgs.	3,096	2,362
Invest. after res.	173,891	269,712
Deferred chgs.	53,945	6,446
Devel. prop., wells, plant & equip.	2,080,708	1,858,911
Total assets	2,550,862	2,255,782
Bank loan	......	25,000
Accts., etc., pay.	43,497	47,453
Total curr. liab.	43,497	72,453
Royalite Oil acct.	31,044	31,649
Wartime Oils Ltd.	197,753	293,253
Deprec. reserve	110,862	92,874
Devel. exp. res.	826,192	676,375
Other reserves	49,014	49,014
Capital stock	1,250,000	975,005
Surplus	42,500	65,159
Working capital	195,725	45,898

MOUNT ROYAL RICE MILLS LTD. common shares were admitted to the listed section of the Montreal Curb market and were called for trading last week. Of an authorized capital of 75,000 shares, 60,000 are outstanding. Company produces whole grain rices and other products and recently had its offering of common stock heavily oversubscribed.

EAST KOOTENAY POWER CO. reports a May increase of $4,431 in gross earnings with $2,391 additional being brought down to net. For the two months ended May 31 gross earnings totalled $131,076; operating expenses (excluding income and excess profit taxes) were $57,170 and net earnings $73,906 ($68,445 for same 1945 period).

W. E. MACFARLANE

of Montreal, has been elected vice-president and chairman of the Eastern District, Investment Dealers' Association of Canada.

Orange Crush Ltd. To Raise Capital

A special meeting of Orange Crush shareholders is being held June 27 to consider directors' proposal to increase the authorized common share capital of the company from 100,000 to 250,000 shares.

Plans are being made for a very important expansion of company's business and it is anticipated that a part of the additional common shares will be issued in connection with this program, Chairman of the Board E. P. Taylor, states.

The company recently announced construction in Montreal of one of the largest and most modern soft drink bottling plants in the British Empire, as a first major step in its postwar expansion program.

Canada Wire & Cable To Redeem Preferred

In a letter to shareholders Canada Wire & Cable Co. announces redemption of its 25,000 outstanding 6½% cumulative preferred stock on July 15 at $107.50 a share and accrued dividends from May 31 to July 15, 1946. The preferred dividend covering the three months was paid on June 15.

Funds for the redemption will come from a new issue of $3 millions, 3% serial debentures being offered by W. C. Harris & Co.

The Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets...	$5,833,185.28
Surplus	3,039,566.10
Dom. Govt. Deposit	2,292,892.17

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Eastern Office TORONTO Ont.
Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

Montreal's building program is rolling vigorously ahead with construction getting under way for new buildings which will add distinction to the skyline of Canada's largest city. For example, the value of building permits for Greater Montreal for May this year totalled $8,082,255 — (an increase of 206% over May 1945!) . . . All of which emphasizes the importance of Montreal as a major market where sales are yours for the advertising.

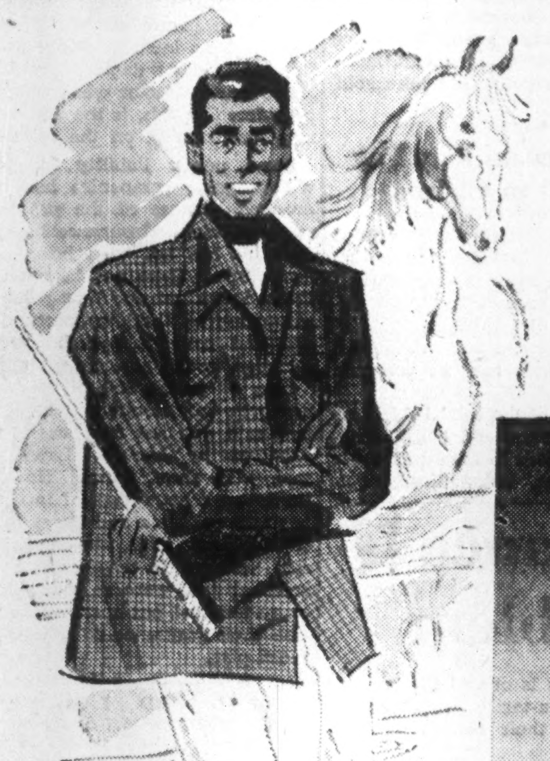
ENGLISH FAMILIES IN MONTREAL 113,947
CITY CIRCULATION, MONTREAL STAR 122,956
(ABC)

The Montreal Daily Star
"Canada's Greatest Newspaper"

Styled by John Morley . . . Simpson's NEW all-wool

Canadian Tailored Casual

10.25



Takes to riding . . . warm all-wool foils chill breezes!

Fine for fishing . . . and just as welcome for light gardening at home!

Grand for golf . . . made - for - action design gives perfect freedom!

More wearable than any sport shirt for men . . . more adaptable to Summertime sports than any jacket . . . you'll wear it inside or outside your trousers with equal smartness and complete comfort.

The Canadian Tailored Casual is beautifully-tailored with inside piped seams, action-back yoke, roll collar, concealed-button pocket flaps. The all-wool materials are of homespun type or of soft-finished twill . . . in solid colors as well as handsome plaids and hounds-tooth checks. See the complete range at Simpson's . . . you'll want several for go-everywhere, do-everything sports wear! Each 10.25.

If you live out of town, order through your local Simpson's Office or write Simpson's Shopping Service, Toronto.

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"Consult your Agent
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as you would your
Doctor or Lawyer."

FIDELITY
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Unsatisfied Highway Judgment Funds Said to Have Satisfactory Results

New legislation to provide financial protection for automobile accident victims, adopted in Manitoba, Prince Edward Island and Saskatchewan recently, appears to be working satisfactorily, The Financial Post learns.

In Manitoba and Prince Edward Island the main new feature was establishment of an "unsatisfied judgment" fund derived from a $1 fee collected from every motorist when buying his vehicle license. From this fund, accident victims unable to collect damages obtained by court judgment in the ordinary way will be compensated. In Saskatchewan a similar public fund is established by the same means, but it is unnecessary for the injured Saskatchewan resident to obtain a court judgment before he will be paid damages. He applies to the Saskatchewan Government Insurance Office and the award is made by it. Victims of hit and run drivers are protected.

So far no claims have been paid out of the public fund in either Prince Edward Island, and in Manitoba no claims have even been made. In Saskatchewan, compensation has been approved for 13 fatalities and 321 injured. Monetary value of the awards is not disclosed. In all three provinces, the amount of automobile insurance carried by motorists has been increased substantially. This is probably due to the fact that in all three provinces any motorist on whose behalf a claim is paid from the public fund, must reimburse the fund before he can have his license renewed. In no case does the government compensation plan cover property.

Hit and Run Victims

In Saskatchewan all accident victims including those hurt by hit and run drivers are indemnified but in Manitoba and Prince Edward Island a judgment must be obtained before payment will be made. Roundup of reports on the operation of the various Acts in the different provinces from Post correspondents follow:

* * *

Sense of Responsibility Increases in Manitoba

From Our Own Correspondent

WINNIPEG—Six months operation of Manitoba's highway safety-responsibility law appears to have achieved one of its purposes in making operators of motor vehicles aware of their responsibility when they use the roads. More than 75% of motor vehicle operators now carry insurance, against a former average of about 27%.

Manitoba has had more highway accidents this year than last. More persons have been killed and more injured. The accident record here, however, is not different from other provinces or states of the United States and the reasons are believed the same, the lifting of wartime gasoline rationing, war-worn tires and cars, and a tendency to be not quite so careful now that the war has ended.

The "unsatisfied judgment fund," is created by charging each motorist $1 extra when he buys his car license. The dollar is earmarked for the fund which now stands at $60,000.

Must Establish Claim

The fund was set up to indemnify persons who suffer personal injury (property excluded) in a highway accident and who may be unable to collect from the person whose negligence caused the accident. In such cases the injured or damaged person must establish his claim in the ordinary way in the courts. Having done this, if unable to collect from the party against whom judgment is given, he may apply to be indemnified from the unsatisfied judgment fund.

When the law first came into effect there was some opposition from motorists to being charged an extra dollar and also to the impounding feature of the law. Where a motor vehicle is involved in an accident the operator must produce evidence of financial responsibility at the time, irrespective of whether he was to blame. If he is unable to do it, his car is impounded.

The first two weeks the law was in effect about two dozen cars were impounded. These incidents taught the public the Act had teeth and for a time there were only a negligible few cars on the road unable to produce evidence of financial responsibility if asked, usually in the form of insurance.

As the season has advanced, the proportion of motorists with insurance is not quite so high as earlier in the year. It still is, however, a shade better than 75%. At one period since Dec. 1 and shortly after the New Year 88% of all motor vehicles on the road had insurance.

* * *

More Auto Insurance Sold in P. E. Island

From Our Own Correspondent

CHARLOTTETOWN—Prince Edward Island's unsatisfied judgment fund, in effect six months now, has accumulated approximately $10,000, representing $1 for each motor car and truck registration. It is intended to build up the fund to about $25,000 to $60.000.

The P.E.I. plan is similar to Manitoba's, but whereas the Manitoba Act allows compensation for one person up to $5,000 and $10,000 for one accident, the P.E.I. maximum indemnity is $2,000 for one person and $4,000 for one accident. Car owners unable to satisfy a judgment necessitating payment from the fund must reimburse it before their driving license will be renewed. Insurance agents say since the new law came into effect, more automobile insurance has been sold than before.

* * *

Saskatchewan May Pay $850,000 in Claims

From Our Own Correspondent

REGINA—Collection of $1 million in automobile accident insurance fees has been made by the Saskatchewan Government Insurance Office from April 1 to June 19, M. F. Allore, manager, states. A further $60,000 to $70,000 may be collected this year.

About 95% of the total 135,000 car and truck owners and 180,000 drivers are estimated to have paid their insurance fees, automatically collected when license fees are paid.

H. BRUCE BEGG

who has been elected president of Shaw & Begg Ltd., insurance managers, and the Wellington Fire Insurance Co

Up to June 19, only 22 claims have been rejected. Money total of compensation will not be disclosed until Sept. 30, at about the end of the driving season. Allore, however, estimated that according to the present trend of fatalities and accidents there will be about $850,000 in compensation paid out for the year.

No Convictions Yet

No convictions have yet been made under the Act. Traffic offense convictions come under the highway traffic board, and penalties under the Insurance Act are imposed only upon recommendation of the SGIO. The insurance office is keeping a close record of accidents, and if repeat claims are filed warranting action, Allore said, insurance surcharges will be levied.

More new auto insurance business has been written this year by private companies than ever before, according to an official of the Saskatchewan Insurance Agents Association. This includes public liability and property damage insurance. However, one factor which must be considered in this, is the amount of new cars coming on the market.

Some public liability insurance with regular companies has been dropped because of the provincial auto accident insurance system. But this has not been heavy, and as an offset there has been an increased demand for four-point insurance—fire, theft, property damage and collision, which are not included in the government plan.

Loss of public liability business has been only nominal this spokesman said, and less than was at first expected by agents. Lapses, he said, were about normal. However, there was a heavy loss of insurance business on taxis and buses to the Government. This, the spokesman said, was due to the fact that government fees were so heavy as to cause taxi and bus operators to confine their insurance to the government plan.

RONAL RED LAKE GOLD MINES plans to start diamond drilling as soon as equipment is made available. Ample funds are reported in the treasury to finance proposed program.

Say Under-Insurance Is Today's Big Problem

Underinsurance carried by many problems of the insurance business and a threat to the financial standing of the people, executives of policyholders is one of the greatest tariff and non-tariff insurance association told their annual meetings last week.

Because of the rise in prices, insurance to value is a matter of concern to everyone insured, William Lawrie, retiring president of the Dominion Board of Insurance Underwriters, stated, adding:

Cost of Replacement

"Property values in Canada have risen by between 30% and 50%. The man whose home was worth $7,000 a few years ago will find that a similar house would cost $10,000 today. Cost of household furniture and other commodities has also increased. Therefore the soundness or unsoundness of the insured's position can only be defined by the answer to the question: 'What would it cost me to replace my home and its contents, if I had a fire?' Nor can the problem be confined solely to fire insurance. In automobile losses, court judgments are higher and automobile repair and replacement costs have definitely increased. Liability compensations are larger because of higher earnings by those who are the accident victims. The buyer of insurance therefore should insure fully in his own interests.

". . . The supreme proof of the adequacy of the insurances carried occurs when the proceeds of the policies enable the assured to reinstate his business or home and recover from the disaster with the least possible delay and a minimum of financial loss."

Higher Fire Loss

R. de Grandpre, president of the Canadian Underwriters Association stressed the seriousness of the continued increase in property losses in the last five years. He said:

"In that period, the per capita fire loss has risen by $1 from $2.46 to $3.46 and the terrific waste is intensified in 1946."

Noting that higher losses were also experienced in automobile and casualty insurance, he stressed that reduced losses mean reduced insurance cost, while increasing claims must ultimately be assessed on each individual in higher rates. Annual meetings of the Dominion Board and the CUA were at St. Andrews-by-the-Sea, N.B.

J. A. Blondeau, general chairman of the Independent Fire Insurance Conference, told the annual meeting at Montebello, Que., that the whole problem of underinsurance could be met satisfactorily only by coordinated effort of all insurance organizations, tariff and non-tariff. While efforts to attain collaboration and co-operation with other insurance governing bodies had so far been only partially successful, he hoped the desired results would be attained.

Windsor Property Loss Said $3 to $4 Millions

Approximately $500,000 of Total Estimated to Be on Damage to Buildings — Much of Loss Believed Covered Under Supplemental Contract

From Our Own Correspondent

WINDSOR—Estimated total damage caused in lower western Ontario peninsula by rain and tornado is between $3 and $4 millions of which approximately $500,000 is in damage to buildings. The Financial Post is informed.

Sixty dwellings were destroyed by the tornado which swept through suburban Windsor the evening of June 17, while rains played havoc with farm crops, particularly fruit. Insurance adjusters stress that no reliable survey of the total damage has been approached in preliminary estimates.

In addition to the estimate of damage to buildings there is the damage to contents and household effects, which may not be ascertained with any degree of certainty for several days.

Ninety per cent of those affected. insurance representatives state, had insurance coverage, but not for the full value of crops, buildings or contents. More conservative representatives say the figure will not reach 90%. They say that the coverage was more nearly 50% to 60% of those affected, and they place the coverage on an average at about 50% of the actual value.

Many Underinsured

Most of the dwellings destroyed were frame and of comparatively recent construction. They were generally insured up to the amount of premium which the owners could afford; usually less than half the value.

Major individual loss was experienced by Windsor Gas Co., whose Howard Ave. plant suffered $50,000 damage covered by insurance.

Preliminary surveys indicate non-tariff and mutual companies held most of the insurance in the area affected. Insurance representatives state that consolidated reports will not be available for some time because of difficulty in ascertaining the value of effects.

Household effects were scattered widely by the tornado and the accompanying rains caused tremendous damage to what remained.

Flooding conditions in the Erieau sector spread to the Chatham, Leamington and Windsor sectors with the rains which fell June 17. In some of these areas, farm fields are still in flood.

Under Supplemental Contract

Insurance company executives in Toronto say that while they have no accurate figures yet on their total losses, they believe much of it has been under the "supplemental contract" added to the regular fire insurance policy. The "supplemental contract" for a nominal extra premium gives protection against windstorm and hail as well as some other hazards not covered by the fire insurance contract.

Household furnishings and furniture are also believed insured by the supplemental contract on the fire insurance policy or if insured by Personal Property Floater would be automatically covered. In the country districts, buildings might be covered by supplemental contract or by a separate windstorm policy. Hail losses might be insured the same way.

While losses to some individual companies may be heavy, it is not believed any insurer will be seriously affected, unless in the case of concerns to which the Windsor area business formed a large proportion of the whole.

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1945 The Commercial Life's Greatest Year of Progress

ABSOLUTE SECURITY WITH
The Commercial Life line

SUMMARY OF REPORT FOR 1945

Paid to Beneficiaries (Mortality)	$ 89,729
Paid to Living Policyholders (Including Dividends to Policyholders)	173,453
TOTAL PAID TO POLICYHOLDERS AND BENEFICIARIES	$263,182

PAID on POLICIES and BONDS SINCE ORGANIZATION (including dividends to policyholders). Over $5,750,000

	1945	1944	% Increase
ASSETS	$4,053,813	$3,439,148	17.87
POLICY RESERVES	2,788,910	2,525,879	10.30
OTHER RESERVES	504,262	490,643	2.77
Available for further protection of policyholders over and above policy reserves.			
PREMIUM INCOME	512,160	424,790	20.56
TOTAL INCOME	761,519	653,870	16.46
BUSINESS IN FORCE	16,629,363	15,003,305	10.83
DOMINION BONDS	2,293,977	1,715,650	33.70

THE COMMERCIAL LIFE
Assurance Company of Canada
Sound as the Dominion

The Commercial Life is in a strong financial position and is now engaged in further development. The Commercial Life has a very liberal full-time and part-time contract for representatives throughout the country, and in the offices already established has adopted the monthly Division plan by which business is sold with premiums paid monthly and collections made. The Commercial Life thinks their men make more money than the average life insurance man, and will be glad to receive applications from men who are looking forward to making life insurance their life business.

Head Office, TORONTO, Ontario

1792 NORTH AMERICA 1946

MEMO TO
TRAVELLERS BY AIR

MANY men are unaware that ordinary accident and life insurance policies *may not* cover them against aviation accidents. Consequently when planning to travel by plane they require last-minute and adequate Aviation Accident Insurance.

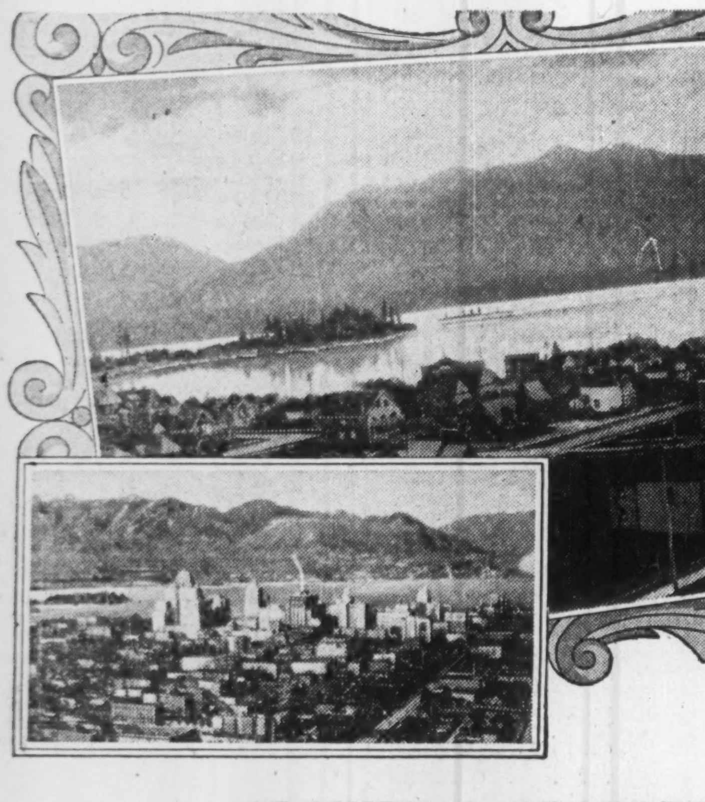
This can be obtained swiftly through an Aviation Accident Insurance Policy of the "North America" Companies. Your Insurance Agent or Broker can and will promptly insure you against all aviation accident risks anywhere in the world, through one of our Service Offices throughout Canada, thereby often saving the expense of long distance calls, wires or cables.

Indemnity Insurance Company of North America pioneered and still leads in the business of Aviation Accident Insurance.

INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES
CANADIAN HEAD OFFICE—TORONTO
FIRE • MARINE • CASUALTY
Service Offices throughout Canada

INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

22



GROWTH & PROGRESS since 1896
.. the year this Company was founded

VANCOUVER
The majestic panorama of mountains and sea have not changed with the passing of time, but the amazing growth of this great Pacific city in the past fifty years is well-shown in the two pictures above.

In looking into the years ahead, the achieving of a measure of security in an insecure world appears as one of a man's greatest problems. Protecting your assets by setting up a Living Trust is a proven method of keeping your way of life intact. In creating a Living Trust for yourself, or for another, during your lifetime, the following advantages accrue. *Security:* London and Western Trusts' financial position guarantees that the trust fund will be safely kept. *Watchfulness:* we are never absent or incapacitated; our investment committee is daily in touch with the security market and closely watches business trends. *Maximum income:* our long and successful management of trusts ensures the highest income return compatible with complete safety of capital; the position of capital and income accounts can be learned immediately on request. *Peace of mind:* which comes from a knowledge that safe, vigilant and competent management is given to funds entrusted to our administration.

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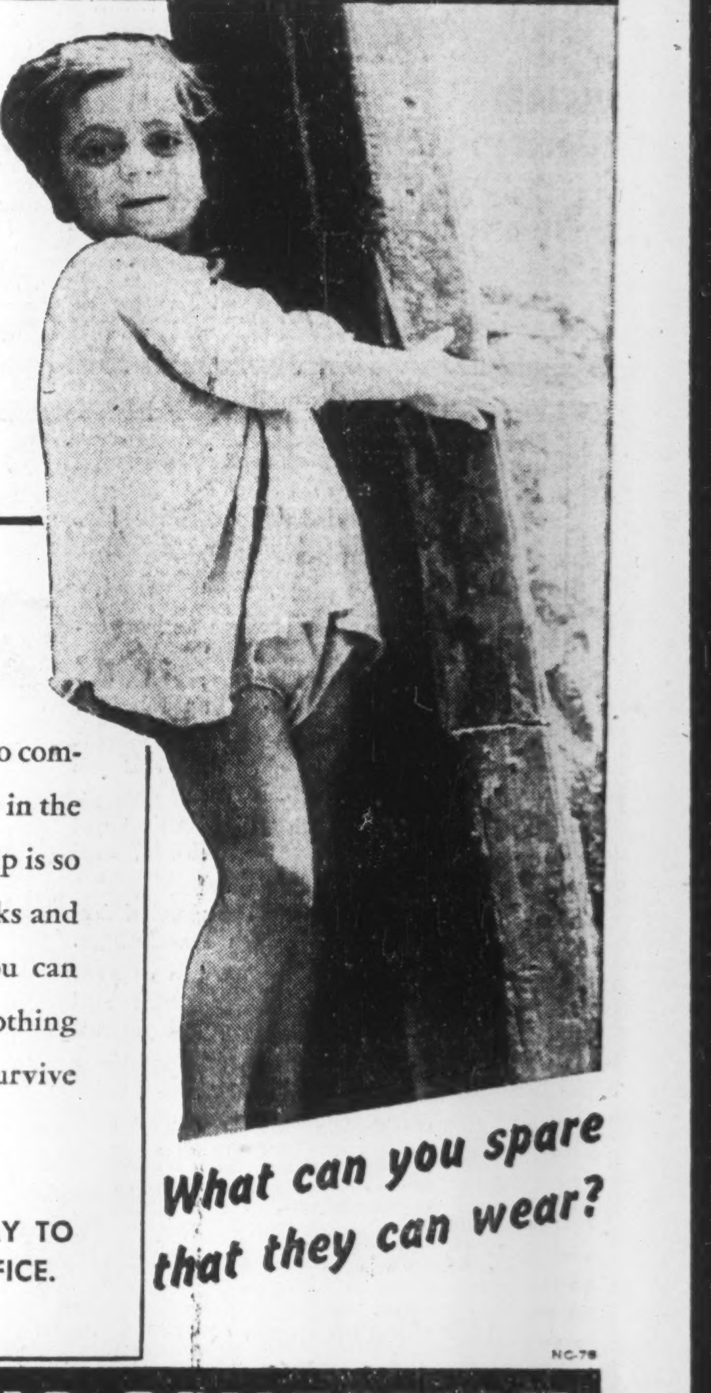
Help this Child...
and Millions Like Her,
to Survive Next Winter



Destitute Folk in War-torn Lands Need
Your Spare Clothes, Blankets, Boots

WHEN the cold winds come that little shirt will be no comfort... and it's all she has. There are millions like her in the war-torn countries of the world. That's why your help is so important now. This week, dig into your attics, trunks and closets . . . dig out all the serviceable clothing you can possibly spare . . . bundle it up for the National Clothing Collection. Help this child and millions like her to survive the coming winter.

What can you spare that they can wear?

TAKE YOUR BUNDLE OF SPARE CLOTHING TODAY TO THE NEAREST COLLECTION DEPOT OR POST OFFICE.

NC-7B

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Single room with shower, $3.00.
Single room with bath, $3.50.
Single room with tub and shower combination $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.

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Make sure you will be ahead in Tennis with equipment made by Spalding and Reach, Wright & Ditson.

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Brantford • Canada

Glamor Plus Service Swells Bank Profits

Need of New Customers Causes Executives to Develop Novel Methods of Attracting Business With Generally Profitable Results in U. S.

While most banks on the North American continent are adopting new techniques in advertising and public relations to sell their services to the public some United States institutions are reportedly blazing trails far in advance of the main body.

Need of finding borrowers for large accumulations of loanable funds seem to be one of the chief motivating factors. Executives of the pioneer banks are quoted as saying that they have to take their ideas from the men who make showmanship in merchandiisng tangible wares pay good dividends. Glamour, conveniences for customers and extra service, are all used to attract business.

One of the most striking innovations is that of the Franklin Square Bank on Long Island which has established a "Garden Bank" where business is done among flowerbeds and canaries. The parking lot at the rear has been landscaped and the bank is so bright and comfortable even in winter time, that customers throng there. A Christmas show for children is another feature.

In 1944 one of the high officials called together the businessmen of the town, showed them a panoramic view of the stores along the main street and then an artist's sketch of the same street with the store fronts modernized. He told them how much the process would cost and offered five-year loans to finance the work. They all signed up.

The First National Bank in Palm Beach ,Fla., under new management in 1937, found it profitable to put pretty girls to work in tellers' boxes and elsewhere where they would meet the public. Heavy doors and marble pillars were ripped out and the whole layout made as simple and attractive as possible; a staff of aggressive salesmen was organized to get new accounts. Between 1936 and 1940 the banks earnings rose nearly 1,400%.

Other sales stunts by other banks include a big showcase in the lobby to display customers' wares, a job finding service for unemployed depositors, movie shows for churches to help pay amortization of loans.

The Bank of America, one of the leaders in bank public relations in the United States, considers the matter important enough to establish a public relations committee chaired by a vice-president, while advertising has developed from a statement of condition to becoming more and more a matter of bright merchandising, with special attention being paid in many cases to the small borrowers. The small loans business in many cases is considered as opening the way for more important business.

DURHAM RED LAKE GOLD MINES is continuing its drilling program. Several sections carrying gold values have been reported in work to date. G. D. Ruttan, geologist, is making a report on the property.

BANK OF CANADA

	June 19 1946 $	June 12 1946 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Notes in circ. ..	1,110,134,329	1,111,503,273
Rest fund	10,050,367	10,050,367
Deposits: Dom.	80,669,553	53,963,638
Chart. banks	490,096,491	533,372,176
Other	78,510,199	88,898,242
Total deposits .	649,276,243	676,234,056
Liabs. pay. in sterling. USA and for. gold currencies ..	2,027,422	2,027,422
All other liabs.	20,255,770	25,019,368
Total liabs. ..	1,796,744,131	1,829,834,486
Assets		
Sterl, & for. ex.	2,027,422	2,027,422
Subsid. coin ...	387,408	405,200
Investments:		
Dom. gov. sh.	1,228,530,887	1,245,018,970
Oth. Dom. gov.	540,099,626	544,356,905
Other secs. ..	10,000,000	10,000,000
Total invest. ..	1,778,630,513	1,799,375,871
Premises	2,541,744	2,538,119
All other assets	13,157,043	25,487,874
Total assets ...	1,796,744,131	1,829,834,486

Life Insurance Higher In U.K.

Business in 1945 Shows Gains Over 1944 and Prswar 1939

Life insurance in Great Britain showed increases in 1945 in both insurance owned and benefits paid, according to data received by the Institute of Life Insurance from companies doing a substantial part of the business in that country.

Total premium income of these companies, the Institute reports, was 5% greater in 1945 than in 1944 and 26% over 1939. In 1945, premium income in Canada including annuity consideration was up almost 7% over 1944 and 36% over 1939. Total policy reserves representing the accumulated funds of the policyholders have shown corresponding increases both for the year and over 1939. In Canada total assets rose 43% between 1939 and 1945.

Policy Payments Up

Benefits paid policyholders and beneficiaries of deceased policyholders including matured endowments and surrender values were slightly higher than in 1944 and about 7% greater than pre-war. Death benefits in Britain were lower in 1945 due to the decline in war losses after V-E Day. They were still 10% greater than in 1939, reflecting the growth in the business since then. Matured endowment payments rose 3% in 1945 over 1944, and 18% over 1939.

Policy surrenders for cash increased 41% in 1945 over 1944 due to demands for cash in the early postwar days. The total was still about half the pre-war figures, however. In Canada, total policy surrenders and lapses which had been declining during the war, continued lower in 1945, the total that year being about 50% of 1939.

Interest Rate Steady

Unlike the Canadian companies, which in general experienced a lower rate of interest earned on invested assets, interest earned by the British companies on invested assets in 1945 was steady with the previous year, at 3.43%. The life insurance companies in Canada meanwhile report an average earnings rate of 3.85% against 4.14% in 1944.

Expense ratios of the British companies were slightly lower than in 1945 on industrial insurance and higher for ordinary. Canadian companies reported a decline in expense ratio.

Staff Changes

The Canadian Bank of Commerce announces the following staff changes:

A. S. TITUS, recently Canadian Army, formerly accountant Sydney, N.S., to be an assistant accountant, Halifax, N.S.

G. F. MURDOCH, recently RAF, formerly an assistant accountant Ottawa, to be an assistant accountant, Ottawa.

H. C. LANE to be manager, Plattsville, Ont.

S. W. WELLS, recently Canadian Army, to be an assistant accountant, City Hall, Toronto.

R. R. A. HUNTER, manager Plattsville, Ont., to be manager, Wroxeter.

A. M. HOOD to be manager, Amherst, N.S.

K. F. HOMER to be manager, Glace Bay, N.S.

O. H. ROSE to be manager, Kingston, N.S.

B. M. LOVE to be manager, New Glasgow, N.S.

R. E. LITTLE, recently Canadian Army, formerly accountant Cornwall, Ont., to be accountant, St. Catharines, Ont.

• • •

The Bank of Nova Scotia announces the following staff changes:

H. F. CUNNINGHAM, to be manager, Campbellton, N.B.

W. R. McLURE, to be manager, Prince George, B.C.

J. W. B. THOMPSON, to be manager, Mattawa, Ont.

A. L. BAILEY, to be accountant, Guelph, Ont.

G. L. GILLISS, to be accountant, Mill & Paradise Row, Saint John, N.B.

C. A. MAERTENS-POOLE, to be accountant, Kenora, Ont.

H. W. SEIP, to be accountant, Edmonton, Alta.

• • •

The Bank of Montreal announces the following staff changes:

L. R. MORIN, accountant, Richmond, Que., to be manager, Napierville, Que.

C. H. SHIELS, assistant manager, Winnipeg main office, to be manager, McGregor St. & Selkirk Ave., Winnipeg.

W. FAIRBAIRN, manager, McGregor St. & Selkirk Ave., Winnipeg, to be manager, Portage Ave. & Vaughan St., Winnipeg.

A. W. HERON, accountant, Almonte, Ont., to be manager, Arundel, Que.

R. W. SCOTT, Edmonton, to be manager of branch to be operated during summer months at Banff, Alta.

H. C. HUGHES, Calgary, to be manager of branch to be operated during summer months at Chateau Lake Louise, Alta.

J. HOUSTON, Regina, to be manager, Battleford, Sask.

H. R. ALLAN, manager, East End, St. Thomas, to be manager, Brockville, Ont.

S. E. GOODWIN, Moncton, N.B., to be assistant manager, Halifax main office.

W. S. BEATTIE, assistant manager, Halifax, to be manager, Guy & Sherbrooke Sts., Montreal.

J. S. WOOD, Winnipeg, to be an assistant manager, Regina.

W. M. NISBET, manager, Walkerton, Ont., to be manager, East End, St. Thomas, Ont.

P. A. S. IRWIN, manager, Battleford, to be assistant manager, Saskatoon, Sask.

H. B. MACPHERSON, manager, Brockville, Ont., to be manager, Stratford, Ont.

J. D. WALLBRIDGE, manager, Bentley, Alta., to be manager, Trochu, Alta.

D. A. EVANS, accountant, Kitchener, Ont., to be manager, Walkerton, Ont.

J. L. D. H. ROY, manager, Napierville, Que., to be manager at our recently opened branch at Cap de la Madeleine, Que.

M. S. ADAM, head office, to be assistant manager, Drummond & St. Catherine Sts., Montreal.

J. L. WALKER, accountant, Peel St., Montreal, to be assistant manager that branch.

N. KJELDSEN, accountant, University & St. Catherine Sts., Montreal, to be assistant manager that branch.

C. W. McMARTIN, accountant, West End, Montreal, to be assistant manager that branch.

J. D. HICKEY, accountant, Kingston, Ont., to be assistant manager that branch.

• • •

The Royal Bank of Canada announces the following staff changes:

L. G. BERRY, accountant, Victoria, B.C., to be manager, Port Moody, B.C.

G. E. BRIDLE, accountant, Main & Logan, Winnipeg, to be manager, Minto, Man.

H. B. HADLEY, manager, West End, St. John's Nfld., to be manager, George & Townsend, Sydney, N.S.

E. McDOWELL, manager, Foremost, Alta., to be manager, Cardston, Alta.

B. L. ROBINSON, assistant manager, Calgary, to be manager Jasper Ave. West, Edmonton.

W. M. MARPHET, sup. dept., Toronto, to be assistant manager, Toronto.

R. M. CATTELL, sup. dept., Toronto, to be accountant, Kingston, Ont.

The following have retired: G. L. HARRISON, Port Moody; J. L. GRISDALE, Steveston; L. J. McCARTHY, George & Townsend, Sydney.

City of Windsor Offers New 2-2½% Debentures

From Our Own Correspondent

WINDSOR — Offer of Angus & Co., Toronto, to purchase a new issue of $6,500,000 City of Windsor debentures for the purpose of retiring the entire amount of outstanding City of Windsor 4% debentures together with outstanding 3½% debentures maturing Dec. 31, 1947 to 1955, inclusive, has been accepted by city council, based on the following terms:

Total amount of new issue to be $6,500,000 composed of:

(1) $3,000,000 2% with $750,000 principal payable on July 31 in each of the years 1947 to 1950 inclusive;

(2) $3,500,000 2½% with $600,000 principal payable July 31 in each of the years 1951 to 1955 inclusive, and $500,000 payable July 31, 1956;

Interest on new debentures to be payable semiannually by coupons on Jan. 31 and July 31 each year commencing Jan. 31, 1947, all interest and principal payable at Canadian Banks of Commerce, Windsor;

Purchase price to be on the basis of 3% yield;

The calling for redemption of $3,694,000 4% and $2,817,000 3½% outstanding debentures and the issue of the proposed new debentures to be conditional upon a formal agreement of the Province of Ontario to accept from Angus & Co. $3,350,000 of proposed new 2½ debentures in exchange for equivalent amount of present 3½% debentures held by the province, the city to allow Angus & Co. a commission of $5,000 on completion of the purchase;

Entire new issue to be subject to formal approval of the Ontario Municipal Board and counsel for the purchaser.

Council directed the city solicitor to write to the Provincial Treasurer, asserting that the legal position of the province with respect to its claims against the Sandwich, Windsor & Amherstburg Railway shall not be prejudiced. New debentures acceptance by the province will replace a like amount held as collatoral against the railway debt.

CIUC Members Now Total 120

Membership in the Canadian Inland Underwriters' Conference now totals 120 companies, Wilson E. McLean, secretary and counsel of the conference, states in his annual report for 1945.

In addition, he reports, nine other companies or management groups have indicated their adherence to company rules. They are: American, Fire Association, Security group; Canadian Fire group; Chubb & Son group; Firemen's Fund group; General Security Insurance Co.; Scottish Union and National Insurance Co.; Shaw & Begg group; Union of Canton group; Willis, Faber (Montreal) group.

This does not include all insurers writing inland marine insurance Mr. McLean notes, but, he adds, "So far experience has shown that no serious disturbance is being created by those outside membership in, or adherence to the Conference."

Chief work done during the year was smoothing out the difficulties besetting the Personal Property Floater insurance policy in Ontario and Quebec. There, due to the keen competition in years past, a chaotic state had developed as regards premiums, rates and protection given.

The CIUC, formed last June as an Ontario-Quebec affiliate of Canadian Inland Underwriters Association, began a study of the Personal Property Floater business to attempt to put it on a sound operating basis.

Before the year end, a manual of rates, rules and forms acceptable to all members was completed and put into effect March 1. Since then most of the previous difficulties have disappeared and the Personal Property Floater business is understood to be now operating smoothly and efficiently.

Loss reporting and the regulation of acquisition costs are two other subjects receiving considerable attention and Mr. McLean in his report indicates some early action on both as likely.

Must File Return French Property

The French Republic has proclaimed a National Solidarity Tax effective Aug. 15, 1945, which affects property situated in France and owned by nationals of other countries as well as by French citizens, the French Embassy points out.

A person whose total property in France is greater than 200,000 French francs on June 4, 1945, must file a return for its assessment. Persons with property of less than this amount are not required to file returns. Property affected is real estate, business and manufacturing enterprises, bank accounts and deposits, holdings in French securities, claims on French debtors, and investments in French companies.

For persons residing in Canada the time limit for the declaration will expire, Nov. 1, 1946. Declaration forms and explanatory pamphlets can be obtained at the French Consular offices, in Quebec, Montreal, Winnipeg or Vancouver.

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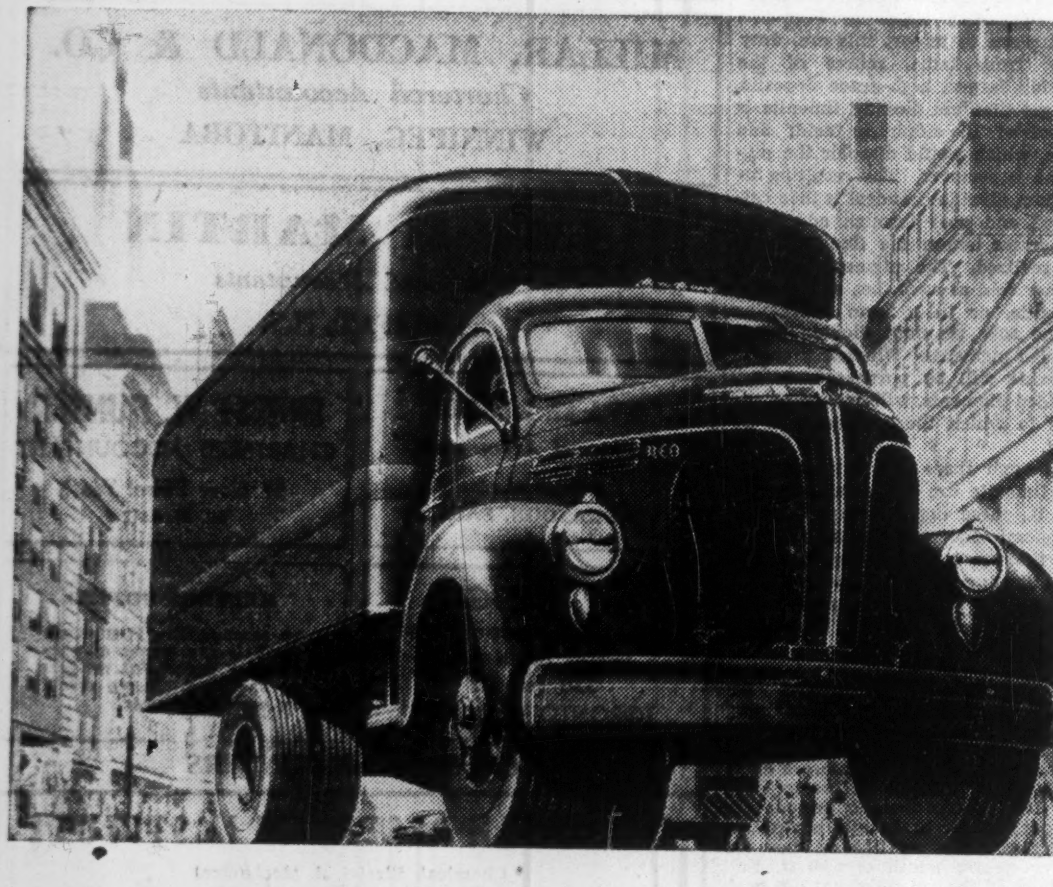

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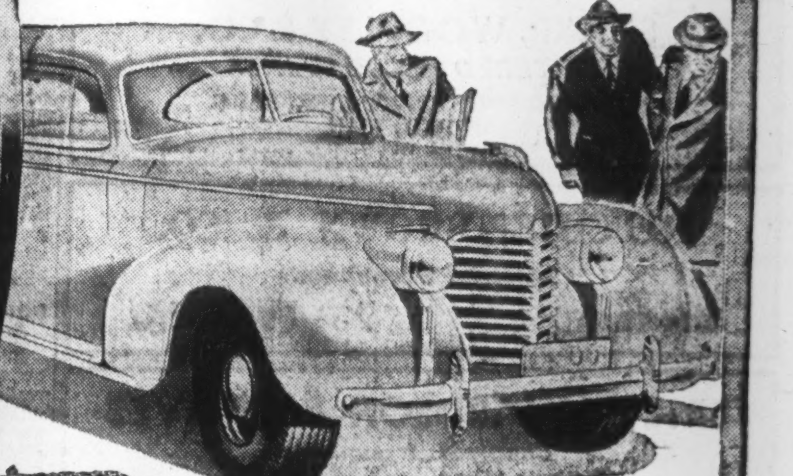

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What Breeds Crime What Will Curb It?

THE QUESTION: "To what major factors do you attribute our heavy crime rate and what cures would you suggest?"

War, and waning parental authority, are the chief factors contributing to Canada's crime rate, in the opinion of jurists, educationists, clergymen, social workers and others polled by The Financial Post. Some see these two factors linked together — lack of parental authority arising from the absence overseas of many fathers during the formative period of heir sons' lives. The chief remedies suggested are a revival of the influence of home and church and extension of recreation facilities for underprivileged youths.

Answers in detail follow:

MR. JUSTICE JOSEPH ARCHAMBAULT, Quebec Superior Court, Montreal, and Chairman, Commission on Prison Reform.

The principal actors of the present crime wave are mostly youngsters who had no proper care and supervision during the war years. The fathers were at the front and the mothers working outside the homes, with the result that the streets were the only outlet for their activities. The streets are a school of vice. Scientific and sympathetic probation, home-approved schools, establishment of the Borstal system, as in England, as recommended by the Royal Commission, would have saved the great majority of these lads, and would now bring on a great moral and economical benefit for the future.

* * *

MSGR. M. CLINE, Holy Name Church, Toronto.

The home has shifted from its moorings and old standards of decency and reliability have been discarded. Truant parents have deserted their post and allow the fruit of their orchard to perish on the ground. Juvenile crime generally originates in the home. Like the prodigal son, an ill-taught and disobedient boy leaves home a criminal in the making, and attracted to whatever appeals to his animal appetite. Religion offers a motive and plan for right conduct and good citizenship. Why withhold it from those beginning life? Denial of religion in the schoolroom is fundamentally unfair to awakening childhood. Regarding a tentative solution, I would ask parents to return to family devotion and Sunday observance; and the school to teach the Decalogue and the Beatitudes.

* * *

E. A. CORBETT, Director, Canadian Association for Adult Education, Toronto.

Crime waves are the inevitable aftermath of war. They result from the mental and emotional maladjustments created by continued strain, anxiety and the recognition of violence as a swift and efficient means to an end. Crime cannot be banished from a world in which fear, distrust, racial hatred, suspicion and economic insecurity are uppermost in men's minds. Gangster films, radio thrillers, hysterical newspapers and alcohol are contributing factors but are not the basic problem. The fight for better housing and the abolition of slums, the insistence on improved and more widespread educational opportunities for young people and adults, the demand for job security, the growth of the community centre movement, all these are evidence of a growing conviction that crime begins in the home and the community. The struggle for a better world in which the international crime of war and the logical crimes of man against man will be abolished, must begin in the home and the community.

* * *

R. E. G. DAVIS, director, Canadian Welfare Council, Toronto.

Marked disruption of normal family life has resulted from demands of the services and industry. This is the basic factor underlying this variety of antisocial behavior. Other elements include high wages paid juveniles during war years and the general spirit of lawlessness, destruction and materialism which inevitably accompanies war. The formative years of the youth of today have been spent in a period of turmoil and aggression, following on the bitterness and disillusionment of the depression. I suggest a realistic approach to the needs of youth, and nation-wide determination to provide preventive services and more intelligent and constructive treatment of offenders.

* * *

FRANK ELIASON, of Saskatoon, Sask., secretary of United Farmers of Canada, Saskatchewan Section.

Irresponsibility to society caused by lack of proper education and, above all, economic insecurity, which demoralizes parent as well as youth are, in my opinion, the chief causes of our heavy crime rates. The only possible cure for crime waves is a plan whereby each citizen of a nation has a place to make his or her contribution to society. Secondly, an educational system that will teach children that they are a part of society and have a responsibility toward that society; as well as supervised recreation for children with parent participation.

* * *

GORDON FOGO, K.C., of Burchell & Co., Halifax, N.S.

In my opinion current increase in certain types of crime arises out of restlessness characteristic of periods following major wars. We must meet this condition by concentrated efforts to secure increased respect for the law. Every citizen should support the courts and other law enforcement agencies in their task of administering justice. Where young persons are involved, I believe much can be accomplished through a better social approach including locally promoted recreational activities serving to provide more health outlets for youthful energies and the development of a sense of duty of an individual to his community.

* * *

J. ALEX EDMISON, K.C., executive secretary, Prisoners' Rehabilitation Society Toronto, and former major, Canadian Army overseas.

Canada's heavy crime rate can partly be attributed to the reckless craving for money and what satisfactions it can afford, on the part of a small army of 16-, 17- and 18-year-old youths who during war years acquired inflated wages which are not now forthcoming to them. In addition, Canada's adherence to an antiquated penal system which is custodial and not reformative, breeds recidivism on a shocking scale. On top of all this, the almost total absence of prison after-care facilities such as they have in England and in the more progressive American states, unquestionably ably throws many discharged prisoners back in criminal paths. The longer Ottawa delays implementation of the admirable Archambault Commission Report (1938) the longer we will wait for any appreciable decline in crime statistics.

* * *

RABBI ABRAHAM L. FEINBERG of Holy Blossom Temple, Toronto.

The crime wave, in my opinion, is caused by the prevalent temptation of "easy money," the social inadequacy of organized religion, the psychological and emotional confusion created by a world war, the weakening of family ties, overemphasis on a high material standard of living and the postwar end of industrial - employment - inflation. The first steps toward a remedy are, perhaps, a much wider use of mental hygiene for average individuals, a normalization of economic values, education in the constructive use of leisure and a closer link between the church and social welfare.

* * *

G. SYDNEY HALTER, president, Amateur Athletic Union of Canada, Winnipeg.

The many evils attendant upon war and the resulting conditions appear directly attributable to the lack of normal parental guidance and control for youth, the slackening of moral standards and a spirit of recklessness pervading many young people subjected to the ravages of war during a period when normally they would have been subject to standard stabilizing influences at home. To help remedy the situation governments—Dominion, provincial and municipal—should apply themselves much more seriously than at present to provide and maintain facilities for outlets for energy of young people e.g., community centres and centres enabling participation in all types of amateur sport.

* * *

REV. RAY McCLEARY, Woodgreen United Church, Toronto.

Some of the main conditions leading to the crime wave are:

1. Purposeless living, leading to a "drift"; a negative pattern making easy prey to a suggestion of "pulling" this or that "job."
2. The emotional kick of being "wanted" in lives of meagre, monotonous boredom.
3. Overcrowding, bad housing facilities in industrial cities, with no sort of neighborhood centres.
4. Breakdown of the home pattern, due to war strain conditions, and loss of feeling part of somebody's family.
5. A callous, cheapened attitude to the sacredness of life, due to the organized mass murder of war on an international scale.
6. Insecurity, not merely on the economic level but the whole insecurity of mental and spiritual factors as well.

I favor more playgrounds and fewer prisons. I strongly advocate the Borstal system for Canadian youth, created and encouraged under municipal leadership; the idea of neighborhoods which would give pockets of responsibility in large metropolitan cities; return to emphasis of the moral worth in man.

* * *

L. ST. G. STUBBS, Member Manitoba Legislature, Winnipeg.

The cause of crime, like war, is basically economic. The cure of both lies in the establishment of a fairer and more just economic and social system.

H. L. SOUTHALL

manager of the merchandising newspapers division, Maclean-Hunter Publishing Company Limited, has been re-elected president of the Business Newspapers Association.

War Asset Sales Now $179 Millions

MONTREAL (Staff) — War Assets Corporation realized $22.6 millions in May from sale of surplus war property and materials. This brings the gross amount received since beginning of disposal operations, to $178.9 millions.

Principal sales in May consisted of ships, 45.1%; automotive vehicles and equipment, 22.4%; consumer goods, 10.6%; lands and buildings, 6.6%; mechanical equipment, 4.8%; machine tools, 4.4%; miscellaneous, 6.1%.

INTERNATIONAL PAPER CO. announce purchase of assets and goodwill of the Scharff-Koken Mfg. Co. of St. Louis, Mo. With a productive capacity of about 30,000 tons of shipping containers annually, this plant will supplement the present shipping container operations of International and will be known as the St. Louis plant of the Container Division of International Paper Co.

New Pigment Plant Means Ample Supply

$5 Millions Titanium Dioxide Mill Will Make Dominion Self-sufficient in Supply of Valued Chemical Ingredient

By ARTHUR D. STYLES

MONTREAL (Staff) — Through plans of Canadian Titanium Pigments Ltd. to build a $5 million titanium dioxide plant at Cap de la Madeleine, Que., Canada will be self-sufficient in this pigment for the first time in history.

This will be good news to domestic users of this critical pigment, to the manufacturers of paint, paper, textiles and many other industrial products where titanium dioxide is an essential, hard to get raw material. Heretofore, all supplies of this critical chemical were imported either from the United States or the United Kingdom, although since the outbreak of war no supplies have been available from the United Kingdom.

Now full anticipated domestic requirements will be met by the output of the proposed new Canadian plant. In operation since 1937, Canadian Titanium Pigments Ltd. acts as Canadian agent for titanium pigments produced in the United States by the National Lead Co.

Shortages of steel present the most pressing immediate problem and best company guess, considering the present uncertainties, is that the plant won't be ready before early 1948. It will provide permanent employment for some 225 persons. Of this total 50 will be office and technical staff; 40 maintenance men, the balance of skilled and semiskilled operators.

Prices Still Depend

Effect on prices for titanium products is a matter of conjecture, company officials say. Estimates are that the present price level of $0.185 per pound, carload lots, will be equalled; may be bettered if and when the company realizes anticipated operating economies.

At the moment such domestic consumers as the paint, paper, leather, rubber, rayon, plastics and cosmetic industries have been relying on whatever quantities are available for export from the U. S. They have also to contend with a 15% ad valorem duty on imported titanium dioxide, and a 10% exchange barrier as well.

These items won't enter the cost picture of Canadian users, once domestic supplies become available in sufficient quantities. Against these indicated reductions, however, must be set the fact that construction costs in Canada will be higher than in corresponding U. S. plants and that a somewhat better plant will need be erected in Canada because of rigorous winter weather. Extent to which low-cost items will be offset by high-cost items cannot be reduced to a per pound price basis until plant is actually operating, it is held.

Titanium pigments are presently used to supplement and/or to displace altogether such critical raw materials as white lead, lithopone and zinc oxide. Back of the growth in titanium pigments are three outstanding characteristics: they have superior "hiding qualities"; they have unexcelled whitening characteristics, and they are chemically inert, i.e., they neither react nor are reacted upon by anything they contact.

It's Better "Hider"

Because the "hiding" power of titanium dioxide is held to be two to ten times higher than any other commercially available white pigment, the paint manufacturers want it. It is now possible, it is said, to complete a paint job by applying one coat of finish over a primer: fewer coats go a longer way. Because of its capacity, it enables a whiter writing paper to be produced, prevents waxed papers from acquiring greasy, stained appearance, it is held. In its rubber, textile and plastic applications, where processing often spoils white finishes, titanium pigments are said to retain their elemental composition despite exposure to acids and alkalis, weather, etc.

It may be expected that users of titanium pigments — paint, rubber and paper manufacturers, among others—will be able to pass on an improved product to their customers. In the last analysis the basic characteristics which titanium dioxide possesses, add up to two things which have dollars and cents considerations: there will be better end products, and there will be definite economies resulting from its use, it is held.

Basic raw material used in manufacture of titanium dioxide is ilmenite. Canadian Titanium Pigments Ltd. plans to import this ore, duty free, from India, source of the world's largest high-grade deposits. To get titanium dioxide, ilmenite is dissolved in sulphuric acid; and iron, which would discolor the pigment, is removed. The resulting titanium dioxide chemical is then calcined and goes through additional processes before the final pigment is realized. The pigment may be either sold as such, i.e., as titanium dioxide, or in a form containing some 30% titanium dioxide — extended pigments. Whether titanium dioxide will be purchased, or extended pigments, will depend on the use to which the pigment will be put.

Though there are large deposits of ilmenite ore in Canada and the U. S., these deposits cannot be as economically treated in manufacture of titanium pigments as the Indian ore, it is understood. If advances in technology permit economical use of domestic ores, they will be treated, company officials state.

PIONEER GOLD MINES OF B.C. exposed good ore containing heavy visible gold in development of 27 vein on 25 level in 1945. Work also put 61 ft. of vein into ore class, and combining it with ore exposed in 1944, makes one continuous ore shoot 567 ft. in length having an average value of 0.55 oz. per ton over quartz width of 5.96 ft. Full length of the ore shoot has not been established, Mine Manager E. F. Emmons states.

The company continues to finance development on outside properties and during year incorporated Barkerville Mining Co., to operate in Cariboo district and South Pacific Mining Co., to operate mining locations in the South Pacific.

INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Bullion prod.	$166,719	$368,134
Less: Oper. exps.	425,400	380,242
Oper. loss	258,681	12,108
Less: Misc. inc.	53,490	59,327
Total earnings	*205,191	47,219
Less: Depreciation	18,719	22,953
Depletion	7,740	12,299
Expl. & prosp.	30,679	36,124
Net loss & deficit	262,329	24,157
*Loss.		
Earnings per share	d$0.15	d$0.01
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1946	1945
Cash & bullion	$164,686	$192,916
Accts. rec.	24,261	9,154
Mkt. secs.**	926,973	1,361,248
Mat. & supplies	89,424	84,704
Total curr. assets	1,205,344	1,648,022
Deferred chgs.	22,935	25,288
Claims & props.▪	126,373	134,113
Plant & equip.▴	161,882	114,950
Outside props.	397,170	231,636
Total assets	1,913,704	2,154,009
Accts., etc., pay.	62,020	35,841
Taxes pay.	182	4,337
Total curr. liab.	62,202	40,178
Capital stock	1,751,750	1,751,750
Premium on shs.	25,000	25,000
Surplus	74,752	337,081
▴After depr. of	1,178,332	1,136,612
▪After depl. of	1,728,145	1,720,405
*Market value	1,027,320	1,458,711
*After reserve.		
Working capital	1,143,142	1,607,844

OPERATING STATISTICS

	1946	1945
Tons milled	10,624	15,593
Average recov.	$15.69	$23.61
Ore reserves, tons	187,940	194,459
Grade ($38.50 gold)	$16.44	$16.36

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DOMINION COAL CO. shareholders will hold a general meeting in Montreal on July 8 to consider the 1943 and 1944 reports of their company. First such meeting since Dec., 1944, it is made possible by the agreement between the Government and the Dominion Coal Co. on subsidies. Since two annual general meetings cannot be held in the same year, the company expects to consider the 1945 annual report of Dominion Coal jointly with the 1946 report sometime early next year.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Wife's Stocks

My wife some time ago inherited some money from a relative which she invested in stocks. Is the income from these subject to income tax and if so who pays it?

Because these stocks were bought with money your wife inherited from her own relations and which did not come from you, the income is hers and she is liable for income tax on it. But unless her total private income exceeds $660 she will have no tax to pay.

Makes Error in Return

I have just found I made a serious error in my income tax return filed April 30, last. What should I do?

You had better write your income tax inspector at once telling him all particulars and asking that your return be amended accordingly. You are allowed to amend an income tax return up to one year after notice of assessment has been mailed to you.

INVESTMENTS

Acadia Apts.

Will you please give me a short review of the present position of Acadia Apartments Ltd.?

According to Mr. Herbert K. Crabtree, president, the building was fully occupied in June, 1945, and progress had been made in the company policy to maintain its working capital position with a view to being able to meet capital expenditures, necessary in the near future.

Net income for the year ended April 30, 1945, was $40,993 ($42,549 in 1944). First mortgage bond interest last year in the amount of $17,232 was reasonably well covered after all charges. The sum of $4,450 was carried forward to surplus account. The approximate current market price on the 4% bonds due 1959 is $99 bid, $100 asked. Common stock is quoted at $8¾ bid, $9¾ asked.

Capitalization consists of $43,320 of first mortgage 4% bonds due Sept. 1, 1959, and 27,484 shares of issued common stock of no par value.

Sherbrooke St. Realty

Please bring me up to date on the earnings picture for Sherbrooke Street Realty Corp. Do you think there is a likelihood that the 4% first mortgage bonds will be redeemed before maturity date?

Operating profits of Sherbrooke Street Realty Corp., before depreciation, for 1945, at $30,000, were slightly higher than the preceeding year. As a result first mortgage interest charges were earned in 1945 1.40 times before depreciation; 1.00 times after depreciation, compared with the 1944 performance of 1.34 times before depreciation; .96 times after depreciation.

It is unlikely, according to a company spokesman, that the company's 4% first mortgage bonds, due May 1, 1952, will be redeemed before maturity because they carry a good coupon rate which could not likely be replaced at the present time by a bond carrying more favorable features. The current market price on this issue is $98½ bid—$100½ offered. At the year end there were outstanding $537,500 of first mortgage bonds and 6,009 shares of $5 par value common stock. Currently the market bid is $12 per share for this common stock.

Jack Lake Mines

Can you give me some idea as to the future prospects of Jack Lake Mines?

Considerable encouragement has been secured by Jack Lake Mines in diamond drilling and if results can be substantiated by underground work, it would appear that the company has a chance of developing a profitable mine. In previous operations, a small shaft was put down to a depth of 200 ft. with levels established at 102- and 187-ft. depths. A second shaft was also put down to a depth of 200 ft. Preparations have been made for underground work and financing arrangements appear to be adequate for completion of work required.

Balance sheet as at Dec. 3, 1945, showed $61,710 of current assets, including $56,710 cash as against current liabilities of only $4,644. At that time, there were 2,250,007 shares issued of authorized 3.5 million shares.

Roxana Oils Co.

I noticed recently that Roxana Oils Co. had entered the Keystone Valley field of Alberta. How is work progressing and is the company satisfactorily financed for this project?

Roxana Oils Co. is drilling an initial test well on its holding of 24,088 acres covering the Keystone Valley structure in the foothills of Alberta. The well was reported recently to be down to a depth of 3,782 ft., on its way to the Madison limestone for which a pre-drill depth estimate of 5,900 ft. was made. Work is progressing rather slowly as the company wishes to watch geology carefully on the way down.

The company is reported fully financed for present test with $500,000 made available for its drilling program. The test is on the northwest extension of the Madison limestone ridge which yielded Turner Valley and is about 40 miles north and west of that major field.

It is difficult to say what the chances of success are for this well at the present time. Geologist Joseph S. Irwin stated that "prospects for success appear better than ordinary," in a report made before drilling started. Favorable reports have also been made by Russell V. Johnson and the Dominion Government geologist, Dr. George S. Hume.

K. R. MARSHALL

has been elected president of the Consodiated Fire and Casualty Insurance Co.

COMPANY REPORTS

LA LUZ MINES showed an increase of $196,528 in net profits in year ended Sept. 30, 1945, a gain of 72.3% over 1944 figures. Gold production rose $136,773 and working capital was $587,541 higher at $2,777,094.

Tons milled increased by 9,014 tons and operating costs were 12 cents per ton lower in 1945, despite higher labor and material expense resulting from wartime inflation.

An energetic development campaign was prosecuted during the year, President G. W. Tower, states, and the 2,985,800 tons ore reserves remaining from original development have now been increased by extending known ore zone north and south and by deeper drilling Development of No. 2 ore body in the footwall area has added a large tonnage of low-grade ore.

Outside activities: Fad shaft at Eureka property, Nevada, sunk to 730 ft. on way to 2,500 ft; exploration and development continuing on Abangarez property in Costa Rica; Opoteca property in Honduras optioned on a royalty basis; Ancor plant at Harleyville, South Carolina, built to test commercial possibilities of producing alumina clay; exploration continuing on properties in Peru, Mexico and Nicaragua.

INCOME ACCOUNT*

Years Ended Sept. 30:	1945	1944
Bullion prod.	$2,514,651	$2,377,878
Less: Mkt. chgs.	38,243	37,371
Mining	611,913	581,582
Milling	433,750	444,789
Gen. & adm. exp.	269,969	275,365
Nicaragua	78,841	116,873
Net earnings	1,081,935	921,898
Add: Prof. on secs.	58,737	......
Less: Deprec.	361,981	349,148
Def. devel.	85,008	83,205
Depletion	127,510	124,807
Nicaragua taxes	97,760	92,853
Net profit	468,418	271,885
Less: Dividends	289,212	284,975
Surplus for year	179,201	‡13,090
Earnings per Share	$0.32	$0.19
Paid†	0.22	0.22

*U. S. funds. ‡Deficit. †Canadian funds.

CONDENSED BALANCE SHEET

As at Sept. 30:	1945	1944
Cash & bullion	$1,517,872	$813,601
Govt. bonds	250,000	250,000
Accts. rec.	32,648	17,181
Mkt. secs.†	630,206	505,832
Mat. & supplies	742,500	670,414
Total curr. assets	3,173,226	2,257,028
Pref. & def. chgs.	157,135	35,544
Development w/o	346,626	415,123
Invest.	559,868	731,490
Claims & props.	1,056,115	1,183,626
Plant & equip.*	957,508	1,158,170
Total assets	6,250,478	5,780,981
Wages pay.	5,841	4,061
Accts. pay. & accr.	390,291	63,414
Total curr. liab.	396,132	67,475
Capital stock	3,001,891	2,975,391
Surplus	2,852,455	2,738,115
*After depr. of	1,617,019	1,255,0038

†Includes 324,500 shs. of Frobisher Exploration Co. in 1944, 310,600 shs. in 1945; 164,560 shs. Eureka Corp. in 1945.

Working capital	2,777,094	2,189,553

OPERATING STATISTICS

	1945	1944
Tons milled	425,038	416,024
Average recov.	$5.92	$5.72

GODERICH ELEVATOR & TRANSIT CO. reports aggregate of grain transshipped through company elevators in 1945 as slightly in excess of 25 million bushels, a turnover of eight times capacity and peak year in history. Of total grain handled 82% was for domestic milling and feeding and balance for export.

Storage revenues were lower throughout the year, President G. L. Parsons, states, due to rapidity with which grain was called for shipment and earlier cleaning out of winter stocks. Three new weigh scales of modern design and heavy capacity have replaced equipment in use for 40 years.

INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net earnings	$237,172	$246,508
Less: Deprec. & amort.	30,988	30,104
Life ins. prem.	780	843
Inc. tax res.▲	118,800	135,500
Net profit*	86,604	80,061
Less: Dividends	63,005	63,005
Surplus for year	23,599	17,056
▲Incl. ref. EPT	9,450	15,750

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Excl. ref. EPT	$1.03	$0.95
Incl. ref. EPT	1.14	1.14
Paid	0.60+0.15	0.50+0.25

CONDENSED BALANCE SHEET

As at March 31:	1946	1945
Cash & Dom. bds.	$504,729	$429,167
Elev. & stor. chgs.	29,740	32,908
Life ins., c. s. v.	49,156	45,971
Total curr. assets	583,625	508,046
Deferred charges▲	47,614	37,736
Fixed assets*	909,311	930,255
Total assets	1,540,550	1,476,037
Bank loan	59,988	36,739
Accts. & tax. pay.	115,071	106,855
Total curr. liab.	175,059	143,594
Conting. res.	20,000	20,000
Capital stock	933,400	933,400
Appraisal surplus	137,180	137,181
Earned surplus▲	274,911	241,862
*After depr. & w/o.	949,309	921,921
▲Incl. ref. EPT	36,900	27,450
Working capital	408,566	364,452

New Phase in Financing Is Indicated, Says Torrey

Possibility that an end to the current phase of refunding financing is near and that corporate financing will enter an entirely new phase—that of raising new funds for creation, development and expansion in the corporation field—was seen by Arthur S. Torrey, president of the Investment Dealers' Association in his address at the 30th annual meeting last week. Mr. Torrey was re-elected as president for the coming year.

"Already there has been some indications this year, or encouraging signs, that the field of venture capital is opening up, but it still has a long way to go to become an important factor in the national economy," Mr. Torrey said. One of the most active periods of finance in the history of Canada occurred during the last 12 months and unlike the previous five years, there was but one Government loan to drain the huge reserve of available funds. But for the most part corporation finance has been merely the replacement or substitution of lower interest obligations for outstanding higher cost debt.

Underwriting, in some instances, was merely a bookkeeping transaction which has shown little effect upon the supply of idle funds, Mr. Torrey pointed out. Although refunding operations are constructive and beneficial to the financial structure of corporations, the speaker felt they were not a primary function for investment dealers as underwriters of securities.

In any large scale plan of strictly new-money financing, a drastic change in the mechanism of the distribution of securities as well as in the psychology of investment personnel would be necessary, Mr. Torrey said. For many months a sellers' market has prevailed but it may no longer be possible to consider a large new offering unsuccessful if it does not go out the window and the subscription books are not closed within a few hours after offering to the public.

"It would, to my mind, be advantageous to the investment banking community as a whole" the speaker went on, "to encourage and initiate new money financing and to adjust the distributing facilities throughout the country to the job of selling—the job in which many have become rusty through lack of practice."

Referring to the Quebec school problem—both Catholic and Protestant—Mr. Torrey felt that "A step has been taken which will do much to improve the standard of education in the province, and one which I believe to be sound."

Respecting the Quebec Hydro-Electric problem he said the delay in the settlement unquestionably causes the small investor hardships. There is, however, more at stake than just what is fair value, he added.

DISTILLERS CORPORATION-SEAGRAMS LTD. and its subsidiaries report consolidated profits for the three months ended April 30, 1946, expressed in U. S. funds, show substantial improvement over the corresponding 1945 period. Profits after all operating charges were $11.6 millions ($8.4 millions in 1945); income and excess profits tax provision totalled $6.6 millions ($5.2 millions in 1945) and net profit was $5.0 millions ($3.2 in 1945). For the nine months ended April 30, 1946, net profit available to shareholders was $18.2 millions, up $5.1 millions from corresponding 1945 period, or 44.2%.

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED
ESTABLISHED 1901
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

HOMESTEAD OIL & GAS has joined six oil concerns with interests in the Princess area in a four-well oil and gas exploration program spread over four townships. The seven companies will jointly operate through the South Princess Syndicate, holding a total of 5,040 acres of oil and gas leases checkerboarded over four townships.

A short time ago Homestead joined New Ranchmen's Oil Co. in acquiring leases totalling 1,000 acres, including the site of the Old Ranchmen's well in the Princess field. The companies jointly hold 6,400 acres. Homestead in addition holds a one-fourth interest in the Toronto Syndicate.

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POWER LAW "VICIOUS"—WILL HARM GOOD NAME OF QUEBEC

Meeting Protests Appointment of Hydro Commission Chairman to Arbitration Board as "Improper"

Will Petition Premier Duplessis To Buy Shares and Appoint Unbiased Arbitrator

Montreal Power Fighting For Fair Play

Charges that the Quebec government's legislation as to the expropriation of Montreal Light, Heat and Power Cons. assets is "vicious in principle" and the appointment of the Quebec Hydro Electric Commission's chairman as a member of the arbitration board "Improper" were heard, and approved by everyone present, at a special general meeting of that Company, when the holders of 2,522,716 shares unanimously rejected the offer the government had made them, of compensation for the expropriation of those assets of the company which have been taken over by Quebec Hydro.

Holders of 72,386 shares were present in person, and holders of 2,454,316 more were represented by proxies. In addition to rejecting the government's offer of $54,000,000 gross, subject to numerous deductions, the shareholders voted in favor of a move to have L. E. Potvin, chairman of Quebec Hydro, removed from the position which he has been given as a member of the board of arbitration which, following the rejection of the formal offer, will have to decide whether that offer represented a fair price for the expropriated assets. The shareholders also voted in favor of appointing a committee of three to canvass the possibility of having the government acquire the shares of the company, instead of expropriating a part of its assets.

PRESIDENT'S STATEMENT

The assembly greeted with applause the statement by John S. Norris, president of the company, that shareholders are fighting for 80 million dollars. Grouping all three offers together, there is a difference of 128 million dollars — in other words, a difference of $25.00 per share—between what is offered and what is considered the real value.

Immediately following the enactment of the legislation covering this expropriation, Mr. Norris explained, the directors had an inventory and appraisal of the expropriated properties made, employing engineers and appraisers for over 15 months. This appraisal shows a gross value for the expropriated assets of $135,295,663, including 10 per cent for forcible taking, or a net value of $51,214,663, after deducting the company's mortgage debt, so that the difference between the company's appraisal and the Government's offer is $80,422,163.

OFFER IS "MINUS" ONE

The Government's offer, in fact, he pointed out, is a minus offer. The amount the Government allows for the assets is less than the amount of bonded indebtedness, so that when the Government takes over the company's bonded debt and pays it off, it expects the company to pay it money, instead of receiving.

"The Commission has appraised the operating assets at $49,885,000, which with ten per cent for forcible taking gives a gross value of $54,878,000. From this amount the Commission has deducted our mortgage debt (assumed by it) amounting to $84,081,000, and is asking the company to remit to it the difference of $29,207,500 with interest at the legal rate from April 15, 1944."

As the legal rate is five per cent per annum, he pointed out, ten per cent has already been added to this balance of $29,207,500, for interest. Before the matter is settled it may rise to 15 per cent or more.

"The residual assets of the shareholders," Mr. Norris went on, "have a book value of $100,000,000. If the offer of the Commission were to be accepted it would mean that we would have to encroach on these residual assets, to the extent of $29,207,500 plus interest. The residual assets (including bonds and shares of Beauharnois Light, Heat and Power Company and Montreal Island Power Company) would be affected to the extent of a further $5,000,000 if the offers for the Beauharnois and Montreal Island Power properties were accepted by the Shareholders of those companies. The offers of the Commission for those properties not only do not give any value to the shares, but in the case of Montreal Island Power Co., reduces the value of its outstanding bonds. In other words, the offer of the Commission is a minus offer."

TO GO TO COURT

Mr. Norris then moved that the offer of the commission be refused, and that the directors be authorized to present to the proper tribunal a claim on behalf of the shareholders for indemnity in respect of the assets expropriated, also that they be authorized to carry on such suits or actions as may be necessary to have a suitable indemnity fixed.

The resolution was unanimously adopted.

Mr. Norris then drew attention to the question, raised at the meeting on April 17th last, as to the propriety of L. E. Potvin, Chairman of the Quebec Hydro Commission acting as a member of the Board of Arbitration which will hear the company's claim and decide whether the offer made by the Commission is a fair one. The directors, he said, had come to the conclusion that the Chairman of the Quebec Hydro-Electric Commission is not a qualified arbitrator, and intend taking legal proceedings to disqualify him.

Mr. George M. Campbell, K.C., expressed doubts as to whether legal proceedings would accomplish much in this respect. He was one of those who, at the April meeting, made reference to the impropriety of Mr. Potvin sitting as a member of the arbitration board. But in view of certain clauses in the special legislation which has been passed to cover the expropriation of the Montreal Light, Heat and Power he was "gravely concerned."

He was referring particularly to Section 20-C of the Act:

"No writ of quo warranto, mandamus, injunction or prohibition or any other special or provisional remedy shall be taken for any reason whatsoever against the arbitration committees, their members or their secretaries respecting the powers, duties, prerogatives or authority conferred upon them by this Act.

"Such arbitration committees shall not be subjected to the supervision or reviewing power or to any orders of the Superior Court."

Mr. Campbell was not undertaking to express any opinion as to what view the courts would take of that section, "but," he said, "it is clear that its wording is sufficiently important for us to consider whether or not there may be some effective remedy that we could use other than proceedings before the courts to have Mr. Potvin removed from his position as a member of the Arbitration Board."

It was an elementary principle of the law of Quebec, he said, that no man could be judge in his own case. A judge of the Superior Court or any other court was prohibited from adjudicating on any case in which he was interested, or in which he had given advice or expressed an opinion.

"What is true of a judge of the Superior Court," he said, "ought to be true also in respect of the three gentlemen who have to decide the indemnity to be paid this company and its shareholders."

LEGISLATION VICIOUS

There was another principle of law, he pointed out, covered by Article 50 of the Code of Procedure, which says that all courts, except the Court of King's Bench, are subject to supervision and revising power of the Superior Court. "And yet," he went on, "through an article of special Legislation, we have been deliberately deprived of that remedy. That is legislation which is vicious in principle. I say that with all due sense of responsibility. That kind of legislation which bars the subject from access to the courts for the protection of his rights and remedies is vicious in principle and should not commend itself to the public in this or any other province of Canada."

The fact that they thought it vicious however, did not alter the fact that the legislation was there. Therefore Mr. Campbell thought that other measures than an appeal to the courts should be sought.

To that end, he moved a resolution protesting against the maintenance of L. E. Potvin as a member of the Board of Arbitration. It was not reasonable to expect the Chairman of the body which formulated the offer which this meeting had just turned down, to be impartial on a tribunal appointed to decide whether that was a fair offer or not.

Paul Beullac, K.C., while approving of Mr. Campbell's resolution, did not think it should simply be adopted and left there. He thought it should be included in the record of proceedings to be placed before the Arbitration Board. Mr. Campbell agreed to add to his resolution, a paragraph that a copy be forwarded to the Prime Minister of the Province, and that a copy be filed in the proceedings of record. The resolution was adopted practically, unanimously, except for a few gentlemen whose proxies did not authorize them to take any action outside the rejection of the government's offer.

COMMITTEE FORMED

A motion by Mr. St. Germain, that three shareholders be appointed as a committee to see what could be done along the lines of inducing the government to buy all the shares of the company, instead of expropriating part of its assets, was also adopted. It was suggested that the three should be Sydney Dawes, J. E. Labelle, K.C., and W. H. Howard, K.C.

At two subsequent meetings, shareholders of Montreal Island Power and Beauharnois Light, Heat and Power also rejected the commission's offer and authorized their directors to proceed to contest it and to take all necessary action to obtain a fairer compensation for the expropriation of their properties.

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 21

Montreal and Toronto

Winnipeg, Calgary and Vancouver

Range 1946 High	Low	Div. Rate	June 21 Yield %	Company	Sales	Last June 14	Week ending June 21 High	Low	Close
14½	9½	■.25	...	West Brew	9	13½	13½	13½	13½
220	145	3.00	1.4	West Grocers	65	215	215	210	215
30	25	■.50	...	Westeel	445	28	27½	27	27
36¾	27	.80	2.3	Weston, George	230	35½	36	34¾	35½
108½	104½	4.50	4.2	Do. pref. 4½%	15	106½	106½	106½	106½
27	24	1.00	3.9	Wilsils	180	25⅝	25⅝	25¼	25½
6.50	2.10	*	...	Willson Stat.	13	6.25	6.50	6.50	6.50
13	11	*	...	Windsor Hotel	25	12½	12½	12½	12½
21⅞	13½		...	Winnipeg El. A	9029	16¾	17½	15½	16½
105	94½	5.00	5	Do. pref.	90	101	101	101	101
29	24	1+.50‡	3.6	Wool Combing	105	28	28	27½	28
19	14½	.40	2.2	York Knitting	455	17	18	17	18
45	34	1.00	2.3	Zellers	211	44	44	44	44
29½	25½	1.50	5.3	Do. pref. 6%	220	27⅞	28½	28	28½
29½	27	1.25	4.4	Do. pref. 5%	25	28½	28¼	28¼	28¼

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. •N. Y. funds. ‡Extra. xOn arrears.

Mining Stocks

Oil Stocks

Range 1946 High	Low	Div. R'te $	June 21 Y'ld %		Sales	Last June 14	Week end. June 21 H	L	Cl'se
.11	.07	.....	....	Acme G.&O.	2,400	.08½	.09	.08	.09
.10	.05⅞	.....	....	Admiral	5,000	.10	.10	.10	.10
.21	.11½	.....	....	Alliance	12,500	.13	.13½	.11½	.12½
.34½	.10	.....	....	Alta. P. Cons.	5,420	.13	.13	.10½	.10½
.09½	.04⅞	.....	....	Anaconda	4,074	.05	.05¼	.05	.05¼
1.37	.95	■.05	....	Anglo Can.	20,810	1.10	1.12	1.05	1.12
.23	.10	.....	....	Apex	6,500	.12	.12	.10	.12
.55	.25	.....	....	Br. Dom.	14,500	.27	.28	.25	.25
2.90	1.95	.10	4.6	Calg. & Ed.	10,015	2.18	2.15	1.95	1.95
.56	.28	.....	....	Calmont	4,900	.30	.36	.31	.31
.47	.29	†.03	....	Coastal	500	.45	.40	.40	.40
.15	.10	†.01½	....	Command	.....	.14	.10	.10	.10
.36	.28	‡.00½	....	Commoil	1,000	.32	.32	.32	.32
.51	.40	.....	....	Common P.	5,300	.45	.45	.40	.42
.85	.35	.....	....	Dalhousie	1,880	.42	.41	.35	.35
.20½	.10	‡.01	....	Davies Pete	1,400	.13	.12½	.12	.12½
.13	.07½	.....	....	East Crest	7,400	.07½	.07¾	.07½	.07½
.45	.40	.....	....	Federated P.	4,000	.40	.45	.45	.45
2.15	1.45	‡.12½	....	Foothills	5,105	1.50	1.65	1.50	1.60
.05⅛	.03¾	.....	....	Grease Creek	1,500	.04½	.04	.03¾	.03½
.04	.03	.....	....	Hargal	400	.04	.03	.03	.03
.14½	.06	.....	....	High Sarcee	14,100	.08	.07	.06	.07
4.40	2.95	■.15	....	Home	7,850	3.15	3.35	2.95	3.15
.11	.05	.....	....	Homestead	114,000	.09½	.09¼	.08½	.08¾
.19	.18	.....	....	Jump. Pound	2,000	.....	.19	.18	.18
.03	.01	.....	....	Lethbridge	11,059	.01⅛	.01¼	.01	.01⅛
.09	.02½	.....	....	Marvel	1,000	.04½	.05	.05	.05
.14	.05	.....	....	McD. Segur	6,754	.07	.07½	.06	.06
.08	.04	.....	....	McLeod	4,265	.05¼	.06	.04	.05
.11	.05	.....	....	Mercury	5,625	.05½	.05½	.05	.05
.17	.09	.....	....	Midcont.	10,500	.09½	.09½	.09	.09
.13	.06	.....	....	Mill City	1,000	.06½	.06½	.06½	.06½
.26	.16½	‡.02	....	Model	3,075	.19	.18	.17	.17
.20	.11	‡.01	....	Nat. Pete	2,100	.16	.18	.16	.17½
.42	.17	.....	....	Nordon	3,600	.17	.30	.20	.25
.07	.03½	.....	....	Oil Select.	6,000	.03½	.05	.04½	.04¼
.90	.40	.....	....	Okalta	3,570	.48	.49	.45	.45
.18	.07	.....	....	Pacalta	9,300	.08	.09	.08	.08
1.65	.75	.....	....	Pac. Pete.	4,600	.85	.85	.82	.82
.05¼	.02⅞	.....	....	Phillips P.	11,000	.03⅝	.03¼	.03	.03
.12	.09	.....	....	Princess P.	3,000	.09	.09¼	.09	.09¼
.02¾	.01	.....	....	Richfield	100	.02	.01½	.01½	.01½
1.57	.80	.....	....	Roxana	11,300	.90	.90	.83	.90
.05½	.03	.....	....	Royal Can.	5,500	.03½	.03½	.03	.03
25.50	17.50	1.00	5.5	Royalite	50	18.87½	18.25	17.75	18.25
.14½	.07	.....	....	South End	1,000	.11	.10	.10	.10
.40	.18	.....	....	So. West Pete	250	.20	.18	.18	.18
.10	.07½	†.01½	....	Sunset	6,300	.08	.08½	.07½	.08
1.45	1.10	.....	....	Texas Can.	320	1.25	1.25	1.10	1.25
.04	.03	.....	....	Trans. Alta.	1,000	.03½	.03	.03	.03
.14½	.07	.....	....	United Oils.	4,500	.08½	.09	.08	.08½
.40	.20	.....	....	Vulcan	3,571	.22½	.23	.21	.22
.00½	.00½	.....	....	Warner	1,000	.00½	.00½	.00½	.00½

▼ Paid in 1944. • N. Y. Funds. † Paid in 1945. x Extra.
■ Sub. appl F. E. C. B. Repayment. ‡ Paid or payable in 1946. z Capital

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
June 24	128,200	722,000	65,745	1,550,000
June 22	.....	....	......	....
June 21	198,800	854,000	82,409	1,780,000
June 20	186,800	978,000	169,474	1,850,000
June 19	165,600	938,000	80,295	1,380,000
June 18	235,100	936,000	140,370	1,650,000

STOCKS NOT TRADED THIS WEEK

Government Bonds

June 25, 1946

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105¼	106
3	Mar. 1954	105¾	106½
3	Nov. 1956	105¾	106½
3	May 1957	104¾	105½
3	Jan. 1959	104¾	105¾
3	June 1960	104½	105¼
3	Feb. 1962	104½	105¼
2	Dec. 1946	100¾	100⅞
2¼	Mar. 1948	101¼	101¾
1½	Nov. 1946	100¼	100⅜
1¾	May 1947	100¼	100¾
1¾	Mar. 1948	100⅜	101
1¾	Nov. 1948	100⅜	101
1¾	Nov. 1950	100½	101
3	Oct. 1963	104½	105¼
3	Sept. 1966	104½	105¼
1½	Nov. 1949	100⅜	101
Dom. of Canada Bonds			
3¼	Nov. 1951	103½	104
4	Oct. 1952	103	103¾
3¼	Feb. 1952	105	105¾
3	Oct. 1952	103½	104¼
3	June 1955	104	104¾
4½	Nov. 1956	100¾	101½
4½	Nov. 1957	103¾	104¼
3	June 1958	104½	105¼
4½	Nov. 1958	105¾	106¾
4½	Nov. 1959	108¼	108¾
3¼	June 1966	106	107
3	Perpetual	103½	104¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104½
4½	Sept. 1951	124¼	...
4½	Feb. 1956	132½	...
4½	July 1957	134¼	...

%	Due	Bid	Ask.
3	Feb. 1953	101⅞	102⅞
4½	June 1955	133⅞	...
3	Feb. 1954	118⅞	119¼
5	Feb. 1970	126¾	...
5	Oct. 1969	126¾	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	133¼	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	118¼	...
4	Jan. 1962	130¼	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101¼	...
3¼	Aug. 1949	100¾	102
3½	June 1956	104¼	106
4½	Apr. 1961	130	...
5	Jan. 1960	135	...
Nova Scotia:			
3	Jan. 1952	103¾	105¼
3¼	June 1956	104¼	106
3½	Nov. 1950	105½	107
4½	Sept. 1952	113½	...
4½	Nov. 1960	133	...
5	Mar. 1960	138	...
Ontario:			
3	Nov. 1950	101½	102¼
3¼	Nov. 1951	104	105½
3¼	May 1955	105¾	107¼
4	June 1962	130¼	...
4½	June 1950	109	110¼
4½	Jan. 1962	137½	...
5	Oct. 1948	106¾	108¼
5	Dec. 1960	142¼	...
5½	July 1946	100	101
Ont. Hydro Commission:			
3	Aug. 1948	100	101
3½	Feb. 1953	104¼	105¾

%	Due	Bid	Ask
3½	Apr. 1947	101	102
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3	Nov. 1947	101¼	102¾
3½	Mar. 1948	101¾	103¼
3½	Mar. 1959	105½	107
4	Nov. 1952	106¾	108¼
3¼	Feb. 1955	106¾	108¼
4½	Aug. 1958	113	115
4½	Jan. 1963	118	120
Alberta:			
3¼	June 1964	103½	...
3¼	June 1966	103½	...
3¼	June 1968	108	...
3¼	June 1972	108	...
3¼	June 1978	108	...
British Columbia:			
4	Dec. 1957	124	...
4½	Jan. 1951	121	...
4½	Oct. 1953	125	...
5	Apr. 1954	129	...
6	Feb. 1947	102	...
Manitoba:			
4	Mar. 1957	123½	...
4½	Dec. 1956	126¼	...
5	Dec. 1959	135¼	...
5	Oct. 1955	120	...
6	Apr. 1947	102¼	...
Saskatchewan:			
4	Sept. 1954	101¾	103¼
4	Nov. 1960	103¼	105¼
4½	Oct. 1951	113½	...
4½	Mar. 1960	114½	...
5	Aug. 1958	112½	114¾
5½	Oct. 1952	111	113
6	Mar. 1952	112	114

Unlisted Stocks

(Compiled from quotations supplied by Plaxton, McDonnell & Co., Kamm, Garland & Co., and Kippen & Co., Inc.)

June 24, 1946

	Bid	Ask.
Aikenhead Hardware Co.	75.00	80.00
Allens Kingston units	71.00	....
Allens London Theatre pfd.	54.00	....
Allens St. Catharines units	60.00	....
Allens Toronto units	38.00	....
Anglo Can. Telephone A	12.50	14.00
Beach Foundry pfd.	85.00	....
Brinton Peterboro Carpet	88.00	....
British Amer. Assur.	70.00	....
British Mortgage and Trust	135.00	....
B. C. Sugar	95.00	99.00
B. C. Telephone 1st pfd.	116.00	119.00
Brockville Trust $50 par	54.00	....
Canada Machinery com.	18.00	20.00
Canada Tea pfd.	63.00	....
Canada Paving 1st pfd.	7.50	....
Canadian Airways	4.00	....
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire Insur.	88.00	....
Canadian Indemnity	175.00	....
Can. Investors Corp.	8.25	9.25
Canadian Motor Lamp A	13.75	15.00
Can. West Nat. Gas com.	38.00	....
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	78.00	....
Capital Wire Cloth pfd.	23.90	....
Cawthra Apts. units	4.50	....
Chase, A. W., units	32.00	....
Colonial Realty com.	7.00	....
Colonial Steamships com.	85.00	91.00
Commercial Finance com.	11.00	14.00
Commercial Life 10% paid	7.00	8.50
Commonwealth Int. Corp.	4.11	4.52
Confederation Life Assoc. 30% paid	150.00	....
Continental Life 20% pf.	38.00	....
Crown Life Ins. 100% paid	310.00	....
Debenture & Securities pf.	95.00	....
Detroit Inter. Bridge	16.50	19.00
Dom. Can. Gen. Insurance	200.00	....
Dominion Life Assurance	200.00	....
Dover Industries Ltd.	13.00	14.50
Dunlop Tire pfd.	26.50	28.00
Edmonton Stock Yds. units	68.00	....
Empire Life Ins. 25% paid	16.50	18.50
Excelsior Life Ins. 40%	97.00	....
Federal Foundries & Steel Co., new com.	2.90	3.25
Foreign Power Sec. pfd.	12.00	15.00
Galt Brass com.	28.00	....
Goderich Elevator & Trans.	16.00	17.50
Great Lakes Power pfd.	114.00	116.00
Great West Life	405.00	....
Guardian Realty pfd.	34.00	....

	Bid	Ask.
Guelph and Ont. Svgs. $50	53.00	....
Gurney Foundry pfd.	3.30	3.85
Highland Dairy pfd.	58.00	....
Homewood Sanitarium	95.00	....
Hudsons Bay ord.	15.00	....
Imperial Life	315.00	....
Indust. Mortgage Trust $50	50.00	....
Ingram & Bell pfd.	94.00	....
Lambton Loan & Inv. $50	54.00	....
Loblaw Groc. Inc.	24.50	26.00
London & West. Trust $100	88.00	....
Manufacturers Life Ins.	290.00	315.00
Midland Loan & Svgs. $10	18.00	....
Moirs Limited pfd.	125.00	....
Monarch Life Assoc. 20%	83.00	90.00
Monarch Mtge. units	3.75	4.75
Morrow Screw com.	16.00	....
Morrow Screw pfd.	101.00	....
National Drug & Chem. c.	8.75	9.75
National Hosiery com.	10.00	....
National Life Assce. 25%	70.00	80.00
Neilson, Wm., com.	13.00	....
Neilson, Wm., pfd.	103.00	....
New Method Laundry units	96.00	....
North American Elev. 1 pf.	90.00	....
Ont. Beauty Supply com.	3.00	3.50
Ont. Tobacco Plant units	34.00	....
Paramount Kitchener units	54.00	....
Paramount Oshawa pfd.	95.00	102.00
Provincial Paper pfd.	107.00	109.00
Ritchie Cut Stone pfd.	3.00	....
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	105.00	....
Sawyer Massey com.	2.25	3.25
Seiberling Rubber com.	10.00	....
Sincennes McNaughton T.	2.00	3.00
Sovereign Life Assce. 25%	37.00	....
Standard Fuel pfd.	101.00	104.00
Standard Fuel com.	4.00	....
Third Can. Gen. Inv.	4.00	4.50
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	6.00	7.00
Trusts & Guarantee $100	101.00	104.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.50	28.00
Viceroy Mfg. A pfd.	26.00	29.00
Victoria Trust & Svgs.	118.00	....
Waterloo Mfg. com.	10.00	12.00
Waterloo Trust & Svgs.	110.00	....
Western Assurance com.	64.00	68.00
Western Assur. pfd.	41.00	....
Western Grain com.	2.25	3.00
Western Grain pfd.	42.00	46.00
York Trading com.	6.00	7.75

Unlisted Mines

Approximate quotations, 3 p.m., June 24, subject to confirmation:

Abenakis	.07	.10
Advance	.14	.17
Alb. Riv. n	.31	..
Alcan	.07	.09
Alexander	.24	.27
Aljo	.04	.05
Ama Kir.	.13	.15
Anna' Que	.08	.10
Anoki	.07	.08
Apex Oil	.04	.06
Argonaut	.10	.11
Arntf'd	.05	.06
Audley	.04½	.06
Aurlando	.10½	.13
Aurora Y	.56	.60
Auterra	.04	.07
Barb L n	.05	.07
Blondor	.12	.14
Bl Grass	.08	.10
Bouzanne	.13	.15
Four Cent	.13	.15
Brae Br	.08	.09
Bravo	.07	.09
Brewis	.31	.35
Brig RL	.15	.17
Brock	.17	.19
Burley P	.04	.05½
Camlaren	.09	.11
Carlmac	.38	.42
Carricona	.06	.08
Cassidy	.19	.21
Cen Mani	.08	.10
Cheskirk	.23	.26
Chimo	.70	.75
Cock RL	.09½	.10½
Columbier	.17½	.20
Con Chib	.32	.35
Con Cop	.32	.34
Courageo	.14	.18
Craibbe	.35	.40
Croydon	.09	.11
Cuvuni	1.20	[illegible]
D'Aragon	.29	[illegible]
Derisk	.06	.08
Despina	.30	.33
De Sant n	.10	.12
Dexter	.75	.80
Dom Mal	.04	.06
Dona Pat	.03½	.04½
Doris	.26	.29
Dunford	.07	.10
Eastward	.31	.33
Echo Ind	.31	.33
Electra	.13	.18
Elmac	.48	.46
Erin Kirk	.04	.05
Eurek Co	3.55	3.65
Flicka	.24	.28
Gilbec	.02	.03
Goodrock	.05	.06
Gord Leb	.09½	.11
Gov Gold	.11	.13
Greenlee	.14	.17
Gwillam	.18	.20
Habitant	.15	.18
Harp Mal	.04	.07
Hayes CD	.04	.05
Highridge	.10	.11
Hornifault	.20	.23
Hoyle	.18	.21
Hugh P	.09	.11
Independ't	.11	.13
Indyke	.15	.20
Joannes D	.07	.09
Kamlac	.40	.43
Ken-Bay	.18	.21
Kencour	.08	.11
Kenda Pe	.28	.31
Kenroy	.06	.08
Lk Rowan 1945	.34	.37
Lk Expa	.11	.14
Lar-Add	.06	.09
Lard U	.08	.10
La Salle	.20	.23
Lavalie	.10	.12
Legardo	.04	.05
Lingnora	.12	.14
Louvore	.06	.08
MacFie	.37	.42
Major Oil	.07	.09
Mallen	.28	.30
Manterre	.09	.11
Marbenor	.28	.30
Marquette	.04	.05
Mar Bird	.11	.13
Mary Ann	.17	.20
Mat Con	.38	.41
Mate Yel	.08	.10
Metalore	.06	.08
Mic of C	2.50	3.00
Miles RL	.34	.36
Moffat H n	.03	.04
Moh'k P	.04	.05
Murbell	.03	.04
Murmac	.21	.23
Mylamaq	.71	.74
McCuaig	.13	.15
McManus	.18	.20
Nat Mal	.30	.33
Nayb '45	.50	.55
Nereco	.26	.29
New Aug	.12	.14
New Mal	.07½	.09
Nic Off	3.00	..
Norbeau	.95	1.00
Norcourt	.12	.15
Norford	.11	.13
Normar	.13	.15
Nortyne	.04	.06
Novele P	.08	.10
Obalski	.22	.24
Obals '45	.62	.65
Obaska	.20	.23
Okled	.09	.11
Olivet	.04	.05
Opemiska	.20	.23
Orpit	.08	.11
Ortona	.07	.09
Osulake	.90	1.00
Pascalis	.28	.31
Peg Tan	2.70	2.90
Pelangio	.07½	[illegible]
Phelps	.05	.07
Pinnacle	.09	.11
Poona Go	.03	.04
Presdor	.04	.05
Privateer	.58	.63
Quest	.29	.32
Rajah RL	.07	.09
Rambull	.03½	.04½
Rand Mal	.11	.13
Raym Tib	.08	.10
Rebair	.42	.45
Redruth	.08	.10
Redwood	.10	.12
Richgroup	.15	.18
Ritoria	.07	.09
Rhyolite	.05	.06
Rupun	.36	.39
Salmita	.43	.47
Santiago	.41	.46
Sepha	.10	.12
Sheldon	.45	.49
Skyn Lk	.03½	.05
Sovereign	.17	.19
Steeber	.05	.10
Sun Bear	.09½	.11
Thornhill	.11	.13
Tiffany	.07½	.09
Tobico	.04	.05
Tovarich	.03½	.04½
Typhoon	.38	.42
Val d'Bell	.06½	.07½
Vin Min	.95	1.00
Vinray	.33	.36
Virginia	.23	.26
Wesley	.03½	.04
West RL	.09	.11
W Shore	.05	.06
Wilwood	.07	.09
Winchest	.19	.21
Wingait	.26	.29
Yel'knife	3.00	3.50
Y Davids	.25	.28

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
***1935 to date:** (Base 1935-39=100)												
High	210.2	287.9	149.7	123.7	214.4	138.5	422.6	168.5	146.2	135.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	123.5
Feb	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	277.3	141.4	84.6	200.2	134.6	353.8	160.6	124.3	133.6	145.4	125.1
1946: Weekly Figures:												
May 2	208.0	277.2	143.0	83.5	203.5	136.9	381.3	161.6	124.2	133.7	142.9	125.5
May 9	203.7	274.2	146.3	75.5	203.6	135.3	389.2	160.4	122.6	134.6	140.9	122.9
May 16	202.0	273.8	141.0	74.4	208.3	136.6	409.2	162.4	119.0	134.1	140.5	123.5
May 23	207.6	277.3	133.6	74.1	208.3	136.5	421.1	164.8	117.0	133.9	140.6	125.0
May 30	210.1	287.9	137.4	74.6	212.9	137.9	422.6	168.5	112.5	134.3	140.6	126.1
June 6	207.1	284.7	137.4	74.3	214.4	137.3	412.3	167.6	108.8	133.9	136.6	123.6
June 13	204.2	286.1	141.2	73.1	210.9	138.5	409.4	167.6*	110.0	135.5	141.4	124.5
June 20	199.7	277.3	143.7	71.9	206.8	134.6	402.0	166.7	109.7	135.2	136.4	121.7

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 24	203.51	119.90	97.83	25.90
June 22	.....	.....	.....	.....
June 21	203.95	119.93	98.55	26.13
June 20	203.35	119.91	98.80	26.20
June 19	203.92	120.15	99.80	26.24
June 18	204.65	121.66	99.99	26.48
Month ago	203.37	122.01	101.43	27.03
Year ago	154.70	126.9'	84.83	31.05
1946 High	207.83	147.31	108.20	33.69
1946 Low	178.73	119.90	94.34	25.90

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
June 24	79.1	145.6	123.4	376.90	97.39
June 22	....	....	....	.....	.....
June 21	79.2	145.1	123.1	377.84	97.28
June 20	79.3	145.1	123.2	373.26	97.50
June 19	80.2	146.2	124.2	378.35	97.53
June 18	80.8	146.2	124.4	383.60	97.32
Month ago	81.5	148.5	126.2	400.05	98.34
Year ago	67.7	104.7	92.3	204.53	96.62
1946 High	83.9	149.4	126.7	410.80	118.56
1946 Low	73.5	126.3	109.4	304.39	97.04

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
June 24	203.56	66.33	41.82	76.49
June 22	.....	.....	.....	.....
June 21	203.09	66.50	41.83	76.44
June 20	200.52	66.05	41.45	75.63
June 19	205.74	67.51	42.2'	77.44

	30 Indust.	20 Rails	15 Util.	65 Stocks
June 18	207.41	67.44	42.31	77.88
Month ago	209.42	66.65	43.28	78.25
Year ago	168.59	63.06	33.15	65.47
1946 High	212.50	68.23	43.74	79.44
1946 Low	186.02	60.52	37.97	69.81

Mining Stocks

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atla., A	.25	July 2	June 10
Agnew-Surp. 7% p.	1.75	July 1	....
Algoma St. 5% p.	2.50	July 1	June 1
Am. Cyanamid	.25	July 1	June 4
Do., 5% pf.	.12½	July 1	June 4
Amal. Elec.	.30	July 2	June 1
Anglo-Huron	.10	July 31	June 29
Asbestos	.20+.10	June 30	June 7
Ashdown Hdwre.	.15	July 1	June 10
Bk. of Nova Scotia	.30	Aug. 1	July 16
Beaver Lumber	.50	Aug. 1	July 16
Beatty Bros. A	.50	July 2	June 14
Do., B	.50	July 2	June 14
Bell Tele.	2.00	July 15	June 22
Belding Cort.	1.50	July 2	May 31
Do., 7% pf.	1.75	July 2	May 31
Belgium Glove	.10	July 1	June 1
Do., 5% pref.	.25	July 1	June 1
Biltmore Hats	.17	July 15	June 30
Brant Cordage	.12½	July 15	June 20
Do., pref. $1.30	.32½	July 15	June 20
Brant. Roofing	*.25	Aug. 1	July 15
Brazil'n Tr., 6% pf.	1.50	July 2	June 14
Br. Am. Oil	.25	July 2	June 5
B. C. El. Pr. 6% p.	1.50	July 2	May 20
B. C. Power	.40	July 15	June 29
Building Prod.	.25	July 2	June 1
Burlington Steel	.15	July 2	June 10
Butterfly Hosiery 7%pfd.	3.50	July 30	June 30
Can. Bread	.10	July 2	June 5
Do., 4½% pfd.	1.12½	July 2	June 5
Do., 5% B pfd.	.62½	July 2	June 5
C. Cycle & M. pf.	1.25	June 20	June 14
Can. Perm.	2.00	July 2	June 15
Can. Canners	.31¼	July 2	June 7
1st pf.	.25+.05	July 2	June 7
2nd pf.	.15+.15	July 2	June 7
Can. Food	.12½	July 1	May 31
Do., "A"	.25	July 1	May 31
Can. For. Invest.	.75	July 2	May 31
Can. Life Assur.	5.00	July 1	June 28
Can. N. Pwr.	.15	July 25	June 20
Do., 7% pref.	1.75	July 15	June 20
Can. Breweries	.31¼	July 1	May 31
Can. St'mshp 5% p.	1.25	July 2	June 8
Candn. Cottons	.45	July 2	June 2
Do. 6% pf.	.30	July 2	June 7
Can. Gen. Elec.	2.00	July 1	June 15
Can. Gen. Invest.	.15	July 15	June 29
Can. Invest. Corp.	.10	Aug. 1	July 8
Candn. Fire Ins.	2.00	July 2	June 20
Candn. Indemnity	4.00	July 2	June 20
Can. Indust. A & B	1.50	July 31	June 28
Do., 7% pfd.	1.75	July 15	June 14
Candn. Oil, 5% pf.	1.25	July 2	June 20
Do., 8% pf.	2.00	July 2	June 20
Carnation Corp. 4% pref.	1.00	July 1	June 18
Chart. Trust	1.25	July 2	June 10
Cockshutt Plow	.25	Dec. 2	Nov. 2
Con. Press	.25	July 2	June 15
Con. Bakeries	.20	July 1	June 5
Confed. Life	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Cassidy's 7% pfd.	1.75+3.50	July 2	June 3
Com. Alcohol	.05	July 15	June 29
Do., 8% pfd.	.10	July 15	June 29
Crown Cork	.50	Aug. 15	July 15
Can. Bk. Comm.	.20	Aug. 1	June 29
Can. Fairbanks 6% pf.	1.50	July 15	June 29
C. P. Rlwy. 4% pf.	2%	Aug. 1	July 1
Can. Shipbldg., A	.30	July 2	June 20
Do., B	.20	July 2	June 30
Can. Wallpaper	1.00	July 18	July 5
Can. Silk Prods.	.37½	June 30	June 1
Can. Wire Bound.	.37½	July 2	June 10
Crain, R. L.	.10	July 2	June 15
Canada Dry	.25	July 1	June 14
Do., $4.25 pf.	1.06¼	July 1	June 14
Can. Celanese	.50	June 30	June 14
Do., $1.75 pf.	.43¾	June 30	June 14
Celanese Corp.	.50	June 30	June 17
Do., $4.75 pf.	1.18¾	July 1	June 17
Do., 7% pf.	1.75	July 1	June 17
Cen. Can. Loan	2.00	July 2	June 17
Can. Westinghouse	.50	July 1	June 17
David & Frere	.25	June 29	June 15
Davies Pete.	.01	July 20	July 2
Detroit I. Bridge	†.20	June 29	June 8
Dist.-Seag. 5% pf.	†1.25	Aug. 1	July 16
Dom. Anglo-Invest.	3.00+2.50	July 15	June 30
Do., 5% pf.	1.25	Sept. 2	Aug. 15
Dom. Bank	.25	Aug. 1	July 15
Dom. Coal, 6% pf.	.38+1.87	July 31	June 29
Dome Mines	.30	July 30	June 29
Dom. Dairies 5% p.	.44	July 15	June 29
Dom. Found.	.35	July 2	June 10
Dom. Glass	.25	July 15	June 27
Do. 7% pf.	.35	July 15	June 27
Dom. Life Assur. 70%	3%	June 29	June 25
Dom. Oilcloth	.30+.10	July 31	July 2
Dom. Malt	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	Aug. 1	June 30
Dom. Steel "B"	.25	June 30	May 31
D. Tar & Chem. p.	*.25	July 2	June 1
Dom. Textile	1.25	July 2	June 5
Do. 7% pf.	1.75	July 15	June 5
Dunlop T. 5% pf.	.62½	June 29	June 15
East. Can. Sa.	1.50	July 3	June 21
Easy Wash. Mach.	.25	July 2	June 15
Fanny Farmer	.37½	June 29	June 15
Fashion-Craft 5%	1.25	July 1	June 20
Fernie Brew.	.60+.40	July 3	June 15
Foundation	.35	July 19	June 29
Fraser	.80	July 25	June 29
Freiman, A. J., pf.	1.50	July 1	June 15
Gatineau Pr.	.23	July 1	June 1
Do. 5% pf.	1.25	July 1	June 1
Do., 5½% pf.	1.38	July 1	June 1
Gen. Prod., 5% pf.	2.50	July 2	June 14
Gen. Steel Wares	.20	Aug. 15	July 17
Do., 5% pf.	1.25	Aug. 1	July 3
Goodyear Tire	1.00	July 2	June 10
Do., 5% pf.	.62½	July 2	June 10
Gord. & Belyea, B	.62½	July 2	June 20
Do., 6% pf.	1.50	July 2	June 20
Do., new A	.62½	July 2	June 20
Grandview Mines	.01	July 15	June 15
Grand & Toy	.15	July 2	June 20
Guaranty Trust	1¼%	July 15	June 30
Gt. West Life	3.75	July 2	June 20
Greening Wire Co.	.05	July 2	June 1
Gt. W. Saddl'y 1 p.	.75	June 29	May 31
Gt. Lakes A B p.	.25	July 2	June 1
Grouped Inc., 2 pf.	.75	June 29	May 31
Guelph & Ont. I. T.	1.25	July 2	June 20
Guelph Trust	1.25	July 2	June 20
Hahn Brass pfd.	.50	July 1	June 12
Halifax Ins.	.40	July 2	June 10
Hdg. Carpets	.15	July 2	June 15
Hinde & Dauch	.25	July 2	May 2
Holt. Renfrew 7% pref.	3.50	July 15	June 15
Holl. Cons.	.10	June 29	June 1
Huron & Erie	1%	July 1	June 15
Hunts. Ltd.	.20	July 2	June 15
Howard Smith	.25	July 30	June 29
Do., pf. $2.00	*.29	July 20	June 29
Imp. Bk. of Can.	.25	Aug. 1	June 29
Inter. Coal	1.00	July 2	June 22
Do., 8% pf.	4.00	July 2	June 22
Int. Power, 6% pf.	1.50	July 2	June 10
Imp Tobacco	.10	June 29	May 14
Indust. Accept. pf.	1.25	June 29	May 31
Indust. Mtge.	1.25	July 2	June 15
Int. Bronze	.25	July 15	June 15
Inter-City Baking	.75	June 29	June 14
Do., 6% pfd.	.37½	July 15	June 15
Int. Nickel	†.40	June 29	May 31
Intnl. Metal	.40	July 2	June 10
Do., 4½% pf.	1.12½	July 2	June 10
Int. Nickel, 7% pf.	1¾%	Aug. 1	July 3
Int. Power, 6% pf.	1.50	July 2	June 10
Jour. Pub. Co.	.17	July 15	June 18
Int. Paper	.50	June 29	June 7
Inv. Foundation p.	.75	July 15	June 15
Jamaica P. Serv.	.17	July 2	May 31
Do., 7% pf.	1.75	July 2	May 31
John Labatt	.25	July 15	June 28
Lake St. John Pr.	.50	July 15	June 21
Lambton Loan	1.50	July 2	June 15
Langley's 7% pfd.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Lang & Sons	.25	July 2	June 10
Levy Bros.	.10	July 2	June 1
C. W. Lindsay & Co. 6½% pf.	4.00	July 15	June 12
Lowney Co.	.12½	July 15	June 15
H. R. MacMillan	.05	June 29	June 20
Marcus Loews	1.00	June 29	June 10
Do. 7% pf.	1.75	June 29	June 10
Mfg. Life Ins.	6.00	July 2	June 25
Melchers Dis. 6% p.	.30	June 30	May 31
Mercury Mills	.25	Aug. 1	July 15
Midland Loan	.40	July 3	June 15
Monarch Knit	.15	July 1	May 17
Do.	■.20	Oct. 1	Aug. 31
Do., 5% pref.	1.25	July 1	May 31
Do.	1.25	Oct. 1	Aug. 31
Modern Con.	.30	July 2	June 20
Do., 5½% pf.	1.37½	July 2	June 20
Monarch Life	6%	July 1	June 14
Mtl. City & Dist.	.35	July 2	June 15
Mtl. Light, Heat	.25	July 2	May 25
Mtl. Loco.	*.20	July 1	June 7
Mtl. Telegraph	♦.48	July 15	June 15
Murphy Paint	.20	July 1	June 15
McIntyre Porc.	.55½	Sept. 3	Aug. 1
Mt. Royal Rice	*.12½	July 31	July 8
L. McBrine, pf.	.50	July 1	June 15
McColl-Fron. 6% pf.	1.50	July 15	June 29
McManus Pet., pf.	.30	July 2	June 26
Moore Corp.	.55½	July 2	June 5
Do., A & B pf.	†1.75	July 2	June 5
Nat. Biscuit	†.30	July 15	June 11
Nat. Brew.	.50	July 2	June 2
Do., 7% pref.	.44	July 2	June 2
Nat. Grocers	.15+.20	July 1	June 15
Do., pf. $1.50	.37½	July 1	June 15
Nat. Steel	.37½	July 15	June 15
Nat. Trust	2.25	July 2	June 15
Niagara W. Weav.	.25	July 2	June 14
Nth. Star Oil 7% p.	.08¾	July 2	June 12
N. S. Lt. & Pr.	1.50	July 2	June 14
Ogilvie Flour	.25	July 2	May 28
Ottawa Elec. Rly.	.80	July 2	June 10
Ottawa Lt. H. & P.	.15	July 1	May 15
Do., 5% pf.	1.25	July 1	May 15
Ont. Beauty	*.15	July 2	June 20
Do., pref.	.25	July 2	June 20
Do.	z.15	July 2	June 20
Ont. Loan	1.25	July 2	June 15
Ont. Steel	.25	Aug. 15	July 15
Do., 7% pf.	1.75	Aug. 15	July 15
Page-Hersey	.31¼	July 1	June 15
Penmans	.75	Aug. 15	July 15
Do., 6% pf.	1.50	Aug. 1	July 2
Perron Gold	.02	June 29	May 30
Pickle Crow	.10	June 29	May 31
Power Corp.	.30	July 31	June 28
Premier Trust	1.00	June 29	June 18
Preston E. Dome	.03	July 15	June 15
Price Bros. 5½% p.	1.37½	July 2	On red.
Price Bros. 5½% pf.	1.37½	July 1	June 3
Do.	.30¼	July 2	June 27
Prov. Paper, 7% pf.	1.75	July 2	June 15

Corporation Bonds

(Supplied by Investment Dealers 'Association of Canada)

June 25, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg Cen. H.B.R.	5	'59	59	62	58
†Assoc. Tel. & T.	5½	'55	114½	116½	114½
B. C. Pwr.	4½	'60	102	104	102
Do.	4	'65	102½	104½	102
†Calgary Pwr.	5	'60	114½	...	114½
Do.	5	'64	104½	107	105
Gatineau Pr. A	3¾	'69	114	...	114
♦Do., B	3¾	'69	103½	105½	103½
Gt. Lakes Pwr.	4½	'56	102	104	102½
Do.	5	'57	102	104	102½
*Int. Hydro-El.	6	'44	107	109½	107½
L. St. Law. Pr.	3¾	'65	102½	105	102½
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'73	100	102	99½
Do.	3½	'63	102	104	102
†Mtl. Tramways	5	'51	112½	114½	112½
†Do.	5	'55	101	103½	101
Natl. Lt. & Pwr.	4½	'61	101½	104	101½
Otta. L. H. & P.	4	'57	102½	104½	102½
Ottawa V. Pwr.	5	'59	101½	...	101½
Do.	4	'64	105½	...	105½
†Power Corp.	4½	'59	114½	...	115½
Quebec Pwr.	3	'62	101½	103½	101
St. Maurice Pr.	3¾	'70	103	105	103
Shaw. W. & Pr.	3	'61	101½	103½	101½
Union Gas	4½	'50	100½	103½	100½
†United Secs.	3	'52	99	102	...
†Wpg. El. Sen A	3¾	'71	102½	104½	102
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'65	108½	110½	108½
Acadia-Atlantic Sugar	3¾	'65	102½	...	102½
Algoma Steel	5	'48	101	103½	101
†B. C. Pulp & P.	6	'50	108½	...	108½
‡†Do.	7	'50	101	103½	101
Brown Co.	5	'59	109½	112	109½
Burns & Co.	4	'63	101½	104	101½
Can. Celanese	3½	'59	101½	...	101½
Can. Cement	4½	'51	101	103	101
Can. Electric	4½	'65	101½	...	101½
Can. Steamship	3½	'57	102	104½	102
†‡Can. Vickers	6	'47	111½	...	111½
C. W. Lumber	4	'62	102½	105	102½
C. P. R.	3½	'51	104½	...	104½
Do.	4	'49	106	...	106
C. P. R.	4	Perp.	124½	...	125
†Consol. Paper	5½	'61	111	113½	111
Dom. Coal	4½	'52	101	103½	101
Dom. Scot. Inv.	4	'52	101	...	101
Dom. T. & Ch.	3½	'57	101	...	101
Dom. Textile	3½	'59	102½	...	102½
Dom. Woollens	5	'64	102½	105	103
†Donnacona Pp.	4½	'56	109½	112	109½
*Dryden Pap.	6	'49	101½	...	111½
†Federal Grain	4	'64	102½	104½	102½
*Great L. Paper	5	'55	111½	...	111½
*Gurney Fdry.	5½	'49	103	...	103
†Gypsum Lime	5½	'48	110	112½	110
Inter-City Bak.	5½	'48	100	103	100
Indust. Accept.	4	'52	101½	...	101½
Ins. Ex. Bldg.	3	'51	98½	101½	98½
*Inv. Bond & Sh.	5	'47	99	102	99½
Lake St. J. P.	5½	'61	102½	105	102½
Do.	5	'61	102	104½	102
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	102½	105	102½
Maple L. M.	3¾	'63	102½	104½	102½
Man. Sugar	5	'60	103	105½	103
Massey-Harris	4½	'54	100	102	100
McColl-Fron.	4½	'49	101	...	101
McCormicks	4	'52	101½	...	101½
Mercury Mills	5	'59	102	105	102
Moirs Ltd.	6	'53	100½	...	100½
‡Mtrl. Drydocks	6	'48	100	...	100
Montreal Apts.	4	'54	98	101	98
N. S. Stl. Coal	3½	'63	99½	102½	99½
Price Bros.	3½	'66	103	105	103
*Prov. Paper	5½	'47	110½	...	110½
Silv. Dairies	4	'60-64	101½	...	101½
Simpsons, Ltd.	3½	'66	102	104	102
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	101	104	101
United Gr. Grs.	4½	'58	...	...	103
†Western Grain	5	'63	103	106	103

*Payable in Can. or U. S.
†Payable in Can. U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Supplementary Bond Quotations

Furnished by Investment Dealers Association
Month-end Closing Prices
June 25, 1946

	Bid	Asked
Adel Sheppard 7%/40	55	...
Albert-Bay 5%/50	97½	100½
Alexandra Apts. 3%/55 w.s.	81	...
Ancroft Place 4%/56	76	...
*Balfour Bldg. 3%/43	75	...
*Bay-Adelaide 6½%/47	46	...
*Bay-Cumberl'd 6½%/44 w.s.	57	...
Bloor St. George Rlty. 7%/46	79½	82½
Brand. Henderson 4%/61	101	103½
Can. Theatres 5%/61	98	101
†Clarendon Apts. 7%/46	54	57
†Clarendon Props.	54	57
Connaught Hotel 4%/52	82	...
†Deer Park Apts. 4/59	65½	68½
Dominion Square 4%/59	102½	105
Ellis Park Apts. 4½%/60	77	...
Fed. Foundries 5½%/60	92	95
General Brock Hotel 3%/54	78	81
Gleneagles Inv. 5%/44 w.s.	110	...
Godfrey Realty 4%/52	98	101
Keefer Realty 5%/55	74	...
Lombard Rlty. 2½%/51 w.s.	36	...
Loew's Montreal 4%/58	98½	...
Lord Nelson Hotel 4%/47	96½	99½
Metropol. Bldg. 4½%/52 inc.	89	...
Munic. Bankers (1931)	29	...
National Utilities 6%/48	98	...
Ogilvy Rlty. 5½%/51	102	105
Ontario Bldg. 3%/43	74½	...
Oshawa Bldg. 3-4%/53	74	...
Prince Edw. Hotel 4%/47	67½	...
*Richmond Bldg. 7%/47	36	...
St. Catherine Stan. Rlty. 3½%-4/57	98	101
†Trinity Bldg. 4%/52	17	...
200 St. Clair W. 4½%/58	81	...
Windsor Court 3%/56 w.s.	73	...
York St. Bldg. 5%/53	96	100
*York Adelaide 7%/45	38½	...

*Issue carries arrears of interest.
w.s.—With stock attached.
†Currently paying interest on arrears.

Dividends Declared (Cont'd)

Proprietary Mines	.05	July 8	June 8
Power Corp. 6% p.	1.50	July 15	June 20
Do, 2nd pfd.	.75	July 15	June 20
Quebec Pwr.	.25	Aug. 26	July 18
Reg't Knit $1 60 p.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Remington Rand	†.35	July 1	June 7
Do.	†1.12½	July 1	June 7
Riverside Silk	.50	July 12	June 22
P. L. Robertson	.50	July 1	June 20
Do., pf. $2.50	.62½	July 1	June 20
Shawinigan Wtr.	.25	Aug. 26	July 18
Sheep Creek	1½	July 15	June 29
Sag'nay Pr. 4¼% p.	1.06	July 1	June 12
Sherritt Gord.	.02	July 6	May 28
Sherwin-Williams	.15	Aug. 1	July 10
Do., 7% pref.	1.75	July 2	June 10
Sicks' Brew.	.40	June 29	May 31
Sigma Mines	.30	July 27	June 28
Silverwoods W.D. 5% pfd.	1.25	July 2	May 31
St. Law. Corp. 4% p	.25	July 15	June 21
St. Law. Flour	.40	Aug. 1	July 29
Do., 7% pf.	1.75	Aug. 1	July 29
St. Law. Pap. 6% pf.	.75+1.50	July 15	June 21
Southern Can. Pr.	.20	Aug. 15	July 19
Do., 6% pfd.	1.50	July 15	June 20
Stanley Brock, A	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stand. Fuel, 6½% p.	1.62½	July 2	June 15
Stan. Chem. 5% p.	1.25	Sept. 1	July 31
Stand. Radio	.10	July 10	June 21
Stanley Brock, A	.15	Aug. 1	July 15
Do., B	.10	Aug. 1	July 15
Sun Life	3.75	July 1	June 15
Supertest Pete.	1.00	July 2	June 28
Do., B	.75	July 2	June 14
Steadman	▲.15	July 2	June 20
Steel Co. of Can.	.75	Aug. 1	July 8
Do., 7% pf.	.75	Aug. 1	July 8
Sterling Trusts	2.00	July 2	June 20
Sylvanite G. M.	.03	July 2	Apr. 26
G. Tamblyn	.20+.05	July 2	June 14
Do., 4% pf.	♠.34¼	July 2	June 14
Thrift Stores	.20	July 15	June 30
Tip Top	.07½	July 2	June 1
Tooke Bros.	.25	July 3	June 15
Tor. Iron Works	.15	July 2	June 14
Do., "A"	.15	July 2	June 14
Tor. Gen. Trusts	1.50	July 2	June 8
Toronto Mtge.	1.25	July 2	June 15
Traders Fin., 4½% pf.	1.12½	July 2	June 15
Twin City R. T. 5% pf.	.62½	July 1	June 21
Tuckett Tob., 7% p.	1.75	July 15	June 28
United Fuel Inv. 6% pfd.	.75	July 2	June 10
United Gold Equ.	.04	June 29	June 14
Viau Ltd., 5% pf.	1.25	July 2	June 20
Victoria Trust	1.25	July 2	June 15
Ventures Ltd.	•.10	July 6	June 12
Wabasso Cotton	1.00	July 2	June 15
W. Koot., 7% pf.	1.75	July 2	June 18
Wellington Fire	1.75	Aug. 15	Aug. 12
Western Assur. 12% pf.	1.20	July 2	June 28
West. Grocers	.75	July 15	June 14
Do., 7% pf.	1.75	July 15	June 14
Weston Ltd.	.20	July 2	June 10
Wilsil Ltd.	.25	July 2	June 1
Willson Sta., 5% pf.	1.25	July 15	June 28
Woods Manuf.	.50	June 29	May 31
Wool Comb.	.25	July 10	June 25
Wright-Harg.	.05	July 2	May 23

†N.Y. funds.
‡Extra.
*Initial.
zParticipating divd.
■For period June 1-Sept. 30.
•Sub. app. F.E.C.B.
▲After 4 for 1 stock split.
♦Net. pay. after deducting corp. income tax.
♠For period May 1-June 30.

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 255

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the first day of August, 1946, to shareholders of record of the 15th July, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 13th June, 1946.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 258

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July 1946 and that the same will be payable at the Bank and its Branches on and after THURSDAY, the FIRST day of AUGUST next, to Shareholders of record at the close of business on 29th June 1946. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 7th June 1946.

IMPERIAL BANK OF CANADA

DIVIDEND NO. 224

Notice is hereby given that a Dividend of Twenty-five cents (25c) per share has been declared for the quarter ending 31st July, 1946, payable at the Head Office and Branches on and after Thursday, the 1st day of August next, to shareholders of record of 29th June, 1946.

By Order of the Board.

W. G. MORE,
General Manager.

Toronto, 12th June, 1946.

PENMANS LIMITED

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1946.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 2nd day of July, 1946.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 15th day of July, 1946.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, June 20, 1946.

QUEBEC POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five (25c) cents per share has been declared on the no par value common shares of the Company for the quarter ending June 30th, 1946, payable August 26th, 1946, to shareholders of record July 18th, 1946.

By ORDER OF THE BOARD

H. G. Budden,
Secretary.

Montreal, June 18, 1946.

Bathurst Power & Paper Co. Ltd.

Notice of Dividend on Class "A" Shares

The Board of Directors has today declared a quarterly dividend of Twenty-five cents (25c) per share on the outstanding Class "A" shares of this Company, payable on the 2nd day of September, 1946, to shareholders of record at the close of business on the 2nd day of August, 1946.

H. J. WEBB,
Vice-President and Treasurer.

June 24th, 1946.

Anglo-Huronian Limited

DIVIDEND NO. 18

NOTICE IS HEREBY GIVEN that a dividend of Ten Cents (10c) per share, in Canadian Funds, on the issued capital stock of the Company has been declared payable July 31st, 1946, to shareholders of record at the close of business June 29th, 1946.

J. INGRAM,
Secretary-Treasurer.

Toronto, June 22, 1946.

Brantford Roofing Company Limited

NOTICE OF DIVIDEND

An interim dividend of twenty-five cents per share has been declared on the outstanding common shares of the Company, payable August 1st, 1946, to shareholders of record July 15th, 1946.

By Order of the Board.

R. D. PAUL,
Secretary.

Brantford, Ontario,
June 11th, 1946.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments. Offerings at Corporations and Foreign Securities

Bond Issues

Trustees for the Church of the Ascension of Our Lord, Westmount — 3%, due July 2, 1947-74, $528,500. Dated July 2, 1946, at $100. Sold to W. C. Pitfield & Co.

Southern Canada Power Co.—3½%, due July 2, 1976, $6,000,000. Dated July 2, 1946, at $111.50 and accrued interest, to yield 2.92%. Sold to Nesbitt, Thompson & Co.

Market Comment

Numerous have been the explanations for last week's sharp market break in New York—Canadian groups followed, unwilling partners. The vehemence with which large representative sections of U. S. citizenry campaigned for survival of OPA and the veiled threats of certain labor organizations, if this did not take place has completely disrupted Washington's schedule on the whole bill now before the House.

Certain investment experts, however, pointing to poor receptions accorded recent new stock issues and the extremely "thin" market conditions prevailing—several stocks dropped more than $10 on Thursday on sales of 200 to 300 shares —blame "overbought positions." Some Canadian market analysts are currently making much the same observations concerning conditions here. Too many investors are "tied up"—unwilling to sell, and unable to buy.

Canadian investors awaited a budget that would have an all-important bearing on industrial earnings, and volume consequently slipped off even farther than last week.

Canadian golds have now erased more than a year's advance. Inability to get back to anticipated peacetime tonnage and generally rising production costs, continue to depress the mining market, despite a much improved technical position. It will take more than tax relief —if it materializes—to inject a sustaining strong note into the market, mining investors say.

* * *

Barron's: The Trader (New York) "Pace of a stock market lacking the support of borrowed money, of operations by professionals and "insiders," and of a healthy short interest, all normal market phenomena prior to the SEC, obviously cannot be hurried. Also, a rise which is now well into its fifth year, is bound occasionally to be subject to periods of corrective weakness that tend to become distorted by the thinness of bids. But possibility of a serious deflation is currently not to be found in inflated commodity prices as in 1919-20, enormous security loans as in 1929, or swollen inventories as in 1937."

* * *

Barron's: The Dow Theorist (New York) "At its low point last week the industrial average not only had broken through its recent low of 209.50 on June 5 but also was 0.13 under the May 6 low of 200.65. However, the penetration of the latter point hardly was large enough to be significant. And besides, the rails held three points above their May bottom.

Despite the break last week, the primary trend under the Dow theory continues upward and so does the secondary trend, and a further decline from last week's lows would be required for a minor down trend signal."

* * *

New Highs and Lows

During the week ended June 24, there were 37 new highs recorded among the "general" stocks traded on Canadian stock exchanges and 20 new lows. In the mining group there were two new high and 33 new lows.

GENERAL

New Highs—1946

Ang. Can. Tele. p.
Beatty Bros. B
B. C. Packers B
Building Prod.
Can. W. Cable
Can. W. Cable B
Can. Food
Can. Wallpaper A
Capital Estates
Coast Breweries
David & Fre A
de Havilland pf.
Dom. Bank
Dom. Foundries
Dom. Stores
Dom. T. & Ch. pf.
Do., V.T.
Imp. Varnish
Inter. Bronze
Int. Utilities, new
M. Leaf Gard. pf.
Modern Contain.
Monarch Knit pf.
National Trust
Ogilvie Flour pf.
Orange Crush
Do., pref.
Russell Ind.
Silverwoods
Do., pref.
Silknit Scripts
Slater
Stedman's
Sup. Pete. Ord.
Viau Bisc.
Walker-Good. pf.
Willson Stat.

New Lows—1946

Acme Glove, new
Bertram & Sons
Brown Co.
Cub Aircraft
Donohue Bros.
Fairchild Aircraft
Gen. Bakeries
How. Smith Pap.
Lowney's
Goodyear Tires pf.
Ottawa Car Air
Imperial Oil
Price Bros. pf.
Robinson Cottons
Sicks Brew., new
Silverw'ds W.D. p.
So. Can. Power
Stanley Brock
Do., "B"
Tooke Bros.

MINING

New Highs—1946

Diversified M.
Quemont Warr.

New Lows—1946

Arntfield
Ashley
Beatrice
Bobjo
Bralorne
Celta Dev.
Cochenour
East Sullivan
Falconbridge
Found Lake
Frobisher
Golden Gate
Graham B
Heath
Homer Y'fe.
Lake Shore
Lamaque G.
Lapaska
McGillivary Cr.
Pioneer G.
Pitt G.
Powell R.
Purdy Mica
Queenston G.
Red Hawk
Roche L. L.
Rochette
Sullivan C.
Temiskaming
Thurbois
Westville
Wright-Har.
Yellorex

OILS

New Highs—1946

Admiral

New Lows—1946

Apex
British Dom.
Calgary & Edmon.
Command
East Crest
Grease Creek
High Sarcee
Home
McLeod
Sunset

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$14.18	$14.11	$12.55
Hogs	20.85	20.85	18.86
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.04205	.04205	.04205
Coffee, lb.	.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15⅛
Weekly Indices			
U. S. Labor	111.8	111.5	106.0
Dow Jones	116.67	116.50	100.47
Fishers	121.4	120.4	115.8
Monthly Indices			
Retail (Apr.)	120.8	120.1	118.7
W'sale (Apr.)	125.1	119.2	94.2
U. S. (Mar.)	108.9	107.7	105.3
Gt. Brit. (Mar.)	171.9	171.6	167.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Grain Prices

Winnipeg Grain Futures

Week to June 24, 1946

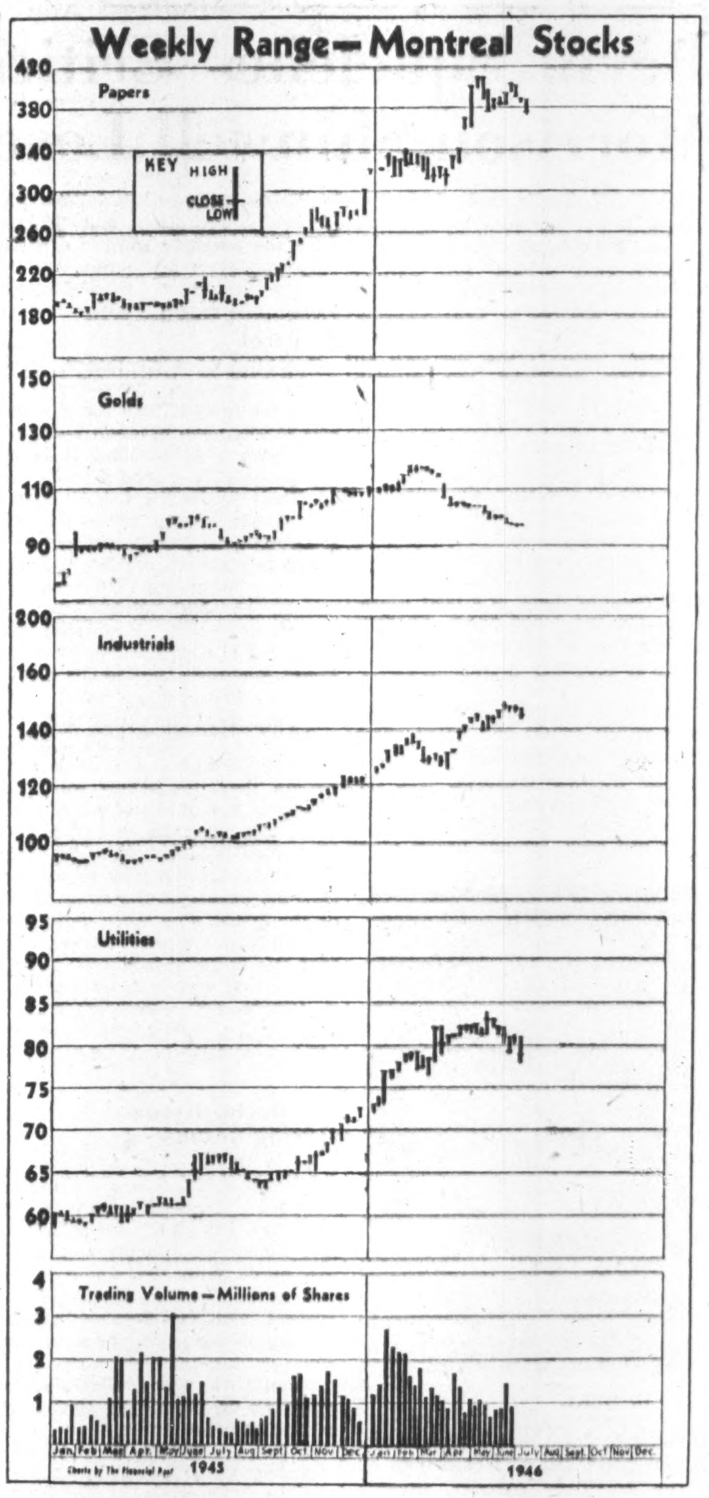
Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close June 24
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
3.07	1.49¼	July	3.07	2.97⅞	3.07
2.67	1.59⅞	Oct.	2.67	2.48⅛	2.66¾
2.57⅜	1.81⅛	Dec.	2.57⅜	2.37¾	2.57

*At ceiling.

Cash Quotations

	For Week June 24 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	3.10	3.01⅛	3.05	2.80

*At ceiling.



NOTICE

NOTICE is hereby given that, pursuant to an Order of The Local Government Board bearing date the eleventh day of June, 1946, The Local Government Board (Special Powers) Act shall apply to St. Paul's Roman Catholic Separate School District No. 20, of Saskatchewan, and that an inquiry will be held into the affairs of St. Paul's Roman Catholic Separate School District No. 20, of Saskatchewan, by The Local Government Board in the Board Room, Legislative Building, Regina, Saskatchewan, on Monday, the 15th day of July, 1946, at the hour of ten o'clock (Mountain Daylight Saving Time) in the forenoon.

ALL PERSONS INTERESTED will govern themselves accordingly.

DATED AT REGINA, Saskatchewan, the 11th day of June, A.D., 1946.

THE LOCAL GOVERNMENT BOARD
Per R. C. LANE,
Chairman.

Dominion Coal Company Limited

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting of the shareholders of DOMINION COAL COMPANY LIMITED will be held in the Assembly Room on the Third Floor of The Royal Bank of Canada Building, 360 St. James Street West, in the City of Montreal, P.Q., Canada, at 11 o'clock a.m., Daylight Saving Time, on Monday, the 8th day of July, 1946, to receive the Report of the Board of Directors for the years 1943 and 1944, to elect a Board of Directors and to transact any other business that may properly come before the meeting.

Dated at Montreal, P.Q., this 10th day of June, 1946.

By Order of the Board,

R. C. McDONALD,
Secretary.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Bowater's Nfld.	5%	1968	July 1	101½
‡Do.	4½%	1968	July 1	101½
‡Do.	4½%	1969	July 1	101½
‡Can. Vickers A.	6%	1947	Aug. 1	101
‡Dryden Paper	6%	1949	Aug. 1	101
Gt. Lakes Pwr.	5%	1959	Aug. 6	103¾
Inter C. Bak. A.	5½%	1948	July 1	100¾
‡Inter. Power	6-6½%	1957	June 27	105
‡Maritime Tel. B	4½%	1966	July 1	103
‡Minas Basin P. & P.	5½-6½%	1949,'56-57	Aug. 1	103
‡Do.	5½%	1953	Aug. 1	101½
‡Do.	5½%	1954-55	Aug. 1	102
‡Mtl. Dry Docks	6%	1947	Aug. 1	101
‡Nfld. Lt. & Pwr.	4½%	1956	July 19	101½
Paton Mfg.	4½%	1956	Sept. 1	102
‡Quebec Apts.	5%	1950	July 1	101
Sao Paulo Elec.	5%	1962	July 1	Par
‡Silverwood Dair.	6%	1966	July 31	100
‡St. John D. D.	3%	1947-51	July 5	101
‡Do.	3½%	1952-59	July 5	102
‡Super Serv. Stns. A & B	6%	1955	July 1	102
C & D	5%	1947-61	July 1	103
E, F & G	5%	1947-64	July 1	104
‡South. C. Pr. A	4½%	1962	July 2	109.6
‡United Grain A	4½%	1958	July 2	103
‡Do.	3½%	1947	July 2	101
‡Do.	4%	1949	July 2	101

‡All outstanding.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.40	6.00
Can. Invest. Corp.	8.25	9.25
Commonwealth Int.	4.13	4.54
Corporate Inv.	9.70	10.45
Trans-Canada (A)	15.45	....
Do., (B)	...	14.95

Municipal Bonds

June 25, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3⅛	1955	107¼	108¾	2.90
Hamilton	5	1950	109	110½	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	105¼	106¾	2.00
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	130	...	...
Saint John	5	1950	109¼	111¼	2.35
†Toronto	4½	1955	128	...	...
†Vancouver	5	1970	144	...	...
Winnipeg	7	1950	112	114	2.25

†Payable Canada and New York.

Company Meetings

1946	Company	Place
July 2	Dominion Stores	Toronto
July 8	Dom. Coal Co.	Sydney, N.S.
July 11	Standard Fuel Co.	Toronto

Geologist Appointed For Western Quebec

Dr. W. G. Robinson, late of the RCAF, has been appointed resident geologist for the western half of the Quebec mining belt, with headquarters in Noranda. Hon. Jonathan Robinson, Minister of Mines, states that the first opportunity has been seized to fill a need already stressed by individuals and organizations directly interested in mining exploration in the district.

The appointment is expected to contribute to maintaining close cooperation between the mine operators and the geological division of the Quebec Department of Mines.

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First Low-price Mercury Reaches Car Showrooms

Appearance of Ford's first low-priced Mercury, arrival in Canada of the first 1947 Studebakers and resumption of vehicle deliveries by the Hudson Motor Car Co. highlighted this week's automotive developments.

Ford's long-awaited Mercury entry in the low-price field (Financial Post, May 4) made its debut in a number of showrooms during the week. Known as the Mercury 114, the new car has a 114-inch wheelbase and a 93-h.p. motor. It is styled like the bigger Mercury 118, with only slight changes in exterior line and its smaller size to distinguish it.

In price, the new Mercury is only $26 more than a Ford of the same model in some lines. It is presented in two series, the 114 and the 114X which correspond, relatively speaking, to the deluxe and super deluxe in the Ford line. Major significance of the new model seems to be that dealers in both the Ford-Monarch and the Mercury-Lincoln divisions of Ford of Canada now have cars to offer in two price fields.

The 4-door sedan is quoted at $1,353.28 for the 114, delivered in Toronto with license but minus spare tire at $29.50. The 114X sedan sells for $1,409.41 on the same basis. These prices compare with $1,327.38 for the Ford deluxe and $1,383.51 for the super deluxe, delivered in Toronto with license but minus spare tire.

Hudson deliveries, interrupted for a short period by material shortages, were in full swing again this week and Studebaker Corp. of Canada announced it, too, has begun to receive deliveries of its 1947 model (The Financial Post, April 13, May 4) at its new Hamilton plant, which is now being converted for manufacture. Some have been delivered to showrooms, but general delivery to dealers is being delayed pending establishment of price ceilings by WPTB.

BOND TENDERS

12 noon, June 17, Canada Treasury Bills—$75,000,000, dated June 28, payable Sept. 27, 1946.

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Even a blow-torch can't set *these* drapes afire! They're made with Fiberglas, and Fiberglas, in any form, is completely fireproof. Available as yet only for auditoriums, hotels, theatres, etc.

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Your deep-freeze locker of the near-future will be insulated with highly-efficient Fiberglas. Fiberglas insulation will keep frozen foods at the correct temperature . . . by effectively keeping cold *inside* . . . cuts operating costs, too!

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You'll soon be using ironing-board covers made of fireproof Fiberglas. Slipped over your ironing-board, a Fiberglas cover renders your ironing surface impervious to heat. No part of it will burn, and at one end is a *reinforced* Fiberglas surface to leave your hot iron on. No lifting! . . . just *slide* the iron along to the reinforced end . . . and forget it!

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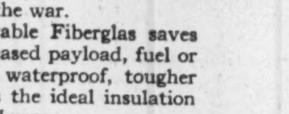

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LONDON CALLING — *By Adelphi*

Bevin Squelches Critics in Party Morrison, Shinwell Lose Popularity

LONDON—Parliament has resumed after one week of Whitsun recess. The Socialists are back from Bournemouth where the annual conference was held and where the ministers showed a commendable firmness to the back-seat drivers. Professor Laski made his exit as the party chairman, but showed that his year of office did his popularity no harm as he was near the top of the vote for the executive.

Herbert Morrison dropped considerably in the vote, showing that the role of the candid friend is never a grateful one. Fuel Minister Shinwell was at the bottom of the successful list, which was probably because there is a coal shortage. On the other hand, Aneurin Bevan was at the very top, and there is certainly a housing shortage.

Big Boss Bevin crushed his foreign policy critics and drove them to silence, but shocked the faithful by publicly thanking God for the swagger schools of Eton and Harrow during the Battle of Britain. This has been another heavy blow to those innocent Socialists who believed that Eton and Harrow were the breeding sources of snobbery and class distinction.

T. M. BELL

of Saint John, has been elected vice-president and chairman of the Maritime District, Investment Dealers' Association of Canada.

* * *

Everyone Out to Win At Ascot

Speaking of such things, Royal Ascot opened a three-day meet when the lowest prize for any race was £1,000, most of them far more. This, plus the fact that it is the Royal Meeting attended each day by Their Majesties, causes owners and horses, to say nothing of the jockeys, to do their best to win.

Before the war, the Royal Enclosure was only open to men and women who had not been through the divorce court. A married man, could take his lady friend to the Royal Enclosure, but not if he had divorced his faithless wife. This may all seem very odd but it is never easy to legislate on morality.

Ascot used to be such a dress parade that the horses were said to stop in the middle of a race sometimes to look at the gorgeous ladies. The men nearly all wore grey morning coats and grey toppers except the people on the opposite side of the track, who wore cloth caps. But such is the spirit of the times that His Majesty intimated that he intended to wear a bowler hat and a lounge suit. Democracy is a grand thing, but it can be a drab affair especially in Ascot week.

* * *

See Bevin, Byrnes Getting Results

Ernie Bevin is off to Paris in a desperate attempt to make the coy Molotov change his tune from "No, No" to "Perhaps." The Russian situation is so difficult that people are bored with the whole subject and have given up discussing it. I suspect that the Russians are becoming bored, too, because they show certain faint signs of reasonableness. On the whole, the plain speaking of Bevin and Byrnes has probably done good.

* * *

The trial of Mihailovitch is as curious a spectacle as Europe has produced in all the sordid postwar period. When Jugoslavia came so heroically into the war, Mihailovitch became a legendary figure. He was the mysterious, magnetic insurgent leader, here, there, everywhere and nowhere, inspiring his followers to strike the enemy in the night and then be off like ghosts. And now in court there appears a little broken man admitting that he could not control his lieutenants and seemed to be their victim not their leader.

* * *

By this time you will have been visited by Britain's latest Minister of Food, Mr. Strachey. His wife and children spent a considerable period of the war in Canada so that his interest will be spiritual as well as gastronomical. Strachey is rated as one of the men of the future in the Socialist hierarchy. He is clear-headed, reassuring and pleasantly paternal in style. It is true that his political record is hardly an austere or simple one. He has been a Tory, a Mosleyite, a Crypto-Communist and a Socialist, but it is not only in the garden of love that young men's feet wander.

He wrote a book before the election called "Why You Should be a Socialist," which did a lot to capture adolescent vote. The opinion at Westminster is that Sir Ben Smith was taken for a ride by Herbert Morrison. Strachey is more versed in the ways of politicians than Big Ben and if he is taken for a ride he will come back driving the care. I believe that he is a young man sincerely desirous of serving his generation. He may go far in the ranks of Tuscany.

* * *

The weather remains quite unbelievable. I am writing these notes at 9 a.m., but the skies are so glowering that it is almost like night. It has rained and rained until one wonders where all the water comes from. There has been so little sunshine that vegetables have no flavor.

Managed Investment

Eddy Paper, Nechi Cons. Bought for MacNab Fund

MacNab sells $2,082.61 of stock and bond holdings and reinvests in two recent stock offerings—Eddy Paper Co. and Nechi Consolidated Dredging Ltd. Net profit on securities sold amounts to $246.30. Estimated annual income has been increased from $574 or 5.74% on the original $10,000 investment to $599 or 5.99%.

MacNab's Transactions

	Security	Price	Proceeds
SOLD:			
50	Argus warrants . . .	$2⅝	$127.00
20	Massey-Harris (common)	19¾	389.60
20	Ford of Canada, class A	27⅞	550.70
$1,000	Dom. of Can. 2% Dec. 15/46	100.60	1,015.31
			$2,082.61
BOUGHT:			
50	Eddy Paper Co., class A	$22	1,100.00
1,000	Nechi Cons.	1.07	1,070.00
			$2,170.00

MacNab's Manager Says:

The present market for industrial financing, caused by a tremendous backlog of idle cash, has provided an opportunity for many corporations to refund presently outstanding bond and stock isues at lower interest and dividend rates. In almost every case, new issues are quickly oversubscribed and immediately sell at a premium over the issue price.

Nechi Consolidated Dredging Ltd. owns placer leases in Columbia, South America, contiguous to the holdings of Pato Consolidated Dredging Ltd. Leases cover a gold-bearing area of approximately 124,000 acres. The management of the company will be in the hands of the same group who have so successfully operated and developed Bulolo Gold Dredging Ltd. in New Guinea and Placer Development and Pato Consolidated in South America, headed by Mr. Charles A. Banks, London, England.

Capitalization consists of 6,000,000 shares of $1 par value of which 5,000,000 shares will be issued and outstanding, including 1,000,000 shares issued for properties and 4,000,000 shares for cash at a net price of $1 to the treasury.

Estimate of earnings shown in the official prospectus shows anticipated production from two dredges operating at 6,000,000 cu. yds. each per annum at an average recovery of 15.1c. U. S. per yd. or $732,000 U. S. with gold at $35 per oz. This is equivalent to $805,000 Canadian funds per annum, or 16c. per share on 5,000,000 shares outstanding. The reputation of the operators insured the success of this venture, in my opinion and these shares should show a substantial appreciation marketwise, in line with that shown for the other stocks of companies controlled by this group. It may be considered as a speculation with better than average possibilities for profit.

Eddy Paper Co. is a holding company which owns the E. B. Eddy Co. which is an old-established company engaged in the manufacture of paper products and lumber specialties. Control of this enterprise is held by J. R. Booth Ltd. (75% owned by W. Garfield Weston). Capitalization consists of 400,000 shares of Class A shares of the parent company, of which 200,000 shares were offered at $22 per share to yield about 4½% at the cumulative dividend rate of $1 per annum. These shares are convertible into common stock share for share at any time at the option of the holder.

I have purchased for your account 50 shares (at the issue price) of the Class A stock.

The net result of this transaction will be to increase your actual income from $25 to $50 per annum. I am not including any anticipated income from Ford A stock as the directors have deferred the $1 annual dividend. It is quite possible that this dividend may be declared later in the year. If so your present income will equal that from the securities I have sold. This also does not make any allowance for a dividend on your Nechi shares, which may be substantial in the future.

STANDARD FUEL CO. retained net profit for the year ended April 30, 1946, was just off slightly from the preceding year. A sizeable increase in income tax provision substantially offset an increase of $44,683 in net earnings. Despite certain supply difficulties, the tonnage of fuels sold was approximately unchanged.

Shipments of bituminous and anthracite coal from the United States were recently interrupted due to contracts with the miners expiring. The terms for new contracts have been agreed upon and it is anticipated that the company will soon be receiving regular shipments of all grades. An accelerated demand for oil as fuel has occurred and the company expects an increased volume in this department.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1946	1945
Net earnings	$305,368	$260,685
Less: Depr.	40,138	49,011
Inc. tax res.▴	176,524	143,726
Net profit	88,706	67,948
Less: Pref. divds. . . .	114,155	115,600
Deficit for year	25,449	47,652
▴Incl. ref. EPT	18,310	17,388
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$7.67	$5.88
Incl. ref. EPT	9.26	7.38
Paid	4.62½+5.25*	4.00+6.00
Com.: Excl. ref. EPT	‡0.23	d0.14
Incl. ref. EPT	‡0.56	‡0.18
None paid.		

‡After deducting pref. s. f. requirements which provide 10% of net profit after div. set aside.

*Eliminating arrears.

CONDENSED BALANCE SHEET

As at April 30:	1946	1945
Cash & bonds	$913,594	$880,922
Accts. rec.	418,643	433,563
Inventories	101,747	245,269
Total curr. assets . .	1,433,984	1,559,754
Misc. assets▴	92,605	80,562
Fixed assets	950,876	1,004,751
Total assets	2,477,465	2,645,067
Total curr. liabs. . . .	401,242	560,065
Depr. res.	508,520	497,198
Capital stock	1,356,000	1,356,000
Capital surplus	. . . . . .	9,073
Earned surplus▴	211,703	222,731
▴Incl. ref. EPT	61,462	42,085
Working capital	1,032,742	999,689

MASSEY-HARRIS CO. has converted an additional 180 preferred shares into common shares under the second conversion privilege, making a total of 30,466 preferred converted into common on the 1½ common for 1 preferred share basis. Issued capital is 291,932 preferred and 1,104,008 common shares.

A. S. TORREY

of Montreal, has been reelected president of the Investment Dealers' Association.

Split CIL Stock Widen Vote Right

MONTREAL (Staff)—Number of high-priced "blue chips" listed on Canadian exchanges was reduced by two last week when Canadian Industries Ltd. shareholders approved the split of the Class A and Class B common into new common on a 10 for one basis. The new common will have one vote per share. Instead of separate A and B common as heretofore, effect of extension of voting rights to the B stock will mean but one class of common stock will now be outstanding: effect of the stock split is that common share capitalization will consist of 7,001,410 shares of new voting common of no par value. Previous common capitalization was 615,974 shares of Class A voting common; 84,167 shares of Class B, nonvoting.

The 7% $100 par value preferred will remain at 46,500 shares, but voting rights per share will be increased from one to ten to maintain the relative voting position of the preferred.

Price of new CIL common is $24 bid, $24¾ offered. Dividends paid in 1945 totalled $5.50 per share common, equivalent to $0.55 per share on the new common. Dividends for the first half of 1946 are at the annual rate of $6 per share old, or $0.60 per share new. At $24 per share the new common is selling on an indicated 2.5% yield basis.

Subdivision of the common stock of CIL represents a pattern which is being adopted continually of late both in this country and the U. S., and represents a desire on the part of management to place equities within reach of the small investor. The subdivision of CIL common should also broaden the marketability of the stock, it is felt.

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HERE'S Canada's first completely new postwar car—the dramatically different new 1947 Studebaker!

It's your dream of a postwar car come true—thrillingly new from every view—a melody in metal!

Here's more than radically advanced new styling. Here's the world's finest motor car ride—remarkable operating economy—a full measure of Studebaker's famous top-quality workmanship.

You're getting this brand new postwar car and grand new postwar value months ahead of time, because of the teamwork and efficiency of the engineers, craftsmen and all the other members of the loyal Studebaker organization.

Right now, we're showing the new 1947 Studebaker Champion—fresh off the production lines. Almost any day, the distinctive new 1947 Studebaker Commander will also be on display.

The crowds are big—but come in anyhow. This is Canada's first genuine, fully tested postwar car—a truly sensational achievement. Make sure to be one of the first to see it.

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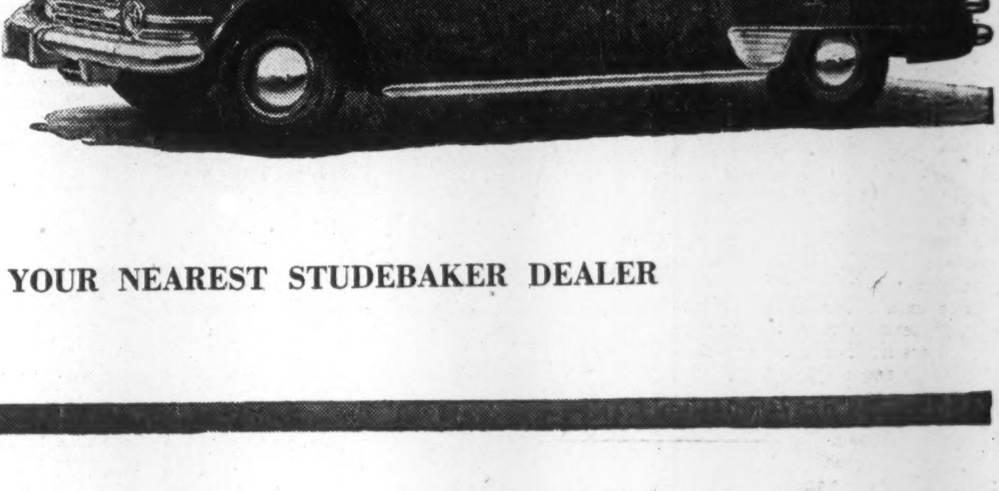
Exclusive new self-adjusting brakes! • Exclusive new "black light" instrument dials! • Exclusive new planar suspension with floating spring ends! • Exclusive new 1947-type overdrive transmission! • Exclusive new coupe with rear windows clear around! • Exclusive new 1947-type Climatizer ventilating and heating! • Exclusive new 15-inch wheels with wide 7-rib tires!



SEE YOUR NEAREST STUDEBAKER DEALER

The Financial Post

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The Coming Battle in Transport

New Equipment and New Rates Appear Throughout Transport Field as Carriers Race to Expand Services

After six war-swollen years, when the only problem was how to find enough rolling stock and "flying stock" to move all the goods and passengers requiring transportation, bus, truck, rail and airline operators are girding themselves for what promises to be the major economic battle of 1947. When the smoke has finally cleared away, observers predict the balance of business divided among the four transport media will be vastly changed.

Unless the losers can make some radical operational changes not now in sight, the coming transportation battle can have unpleasant consequences. The winners will continue to show the healthy operating profits that characterized the war years but the losers are only too liable to be balancing their books with red ink.

Few expect passenger and freight traffic to be maintained at their wartime peak and a glance at the 1939 records makes it obvious that there will not be enough business to keep everyone on the profit side of the ledger when conditions are normal again, without drastic reductions in overhead.

Expect Fewer Passengers

A big reduction in the number of passenger-miles operated is expected to develop almost at once, as more automobiles become available. The end of gasoline rationing last fall had some effect in this direction, but authorities agree the trend will not be pronounced until more passenger cars are in regular use.

Passengers who continue to travel by public conveyance are the target for bus, rail and airline companies, which are currently developing all-out campaigns to win a larger share of the field. While bus lines concentrate on low fares and frequent service as their major attractions, the airlines are plugging speed and the railways stressing safety, dependability and travel comfort.

All three carriers are mobilizing for the battle. Canada's two transcontinental railways are ready to spend $65 millions on new equipment and rolling stock. They plan to introduce new passenger services, including "slumber rest" for coach passengers, more air-conditioned coaches and more comfortable sleepers. Bus companies are taking delivery of new coaches, roomier and more comfortable, and stepping up the number of runs per day on their more popular runs. Airlines are turning to bigger, faster planes and talking of more elaborate hostess-served meals en route. Like the buses, they too are increasing the number of trips and working out schedules to offer greater convenience in departure and arrival times.

Of the three, the railways would seem to be in the least enviable position as far as passenger traffic is concerned. They are likely to be the victims of a squeeze play aimed at both ends of the passenger list. Many of those who have been travelling coach class are regarded as fair game by bus operators, who believe lower fares and more frequent trips will lure them to the highways. Those who travel first class, particularly sleeper passengers on long journeys, are being wooed vigorously by airline operators, who point out that a train ticket, plus berth and meals, often costs more than an air passage. When time saved is added to this, they claim, airplanes are considerably cheaper.

In the freight and express business, the rails hope to fare better. No one, it is claimed, can move bulk freight as cheaply as the railway men. For instance, it has been estimated that the railroads can pay direct operating costs and contribute to their overhead if they obtain ¾c. per ton-mile. Trucks are said to need something like 3c. to reach the same position and airways at least 15c. per ton-mile. For long hauls of heavy freight, it is conceded, there is so far no threat to the railroads.

But on the short-haul routes, with reasonably light units of freight, the commercial trucks can and do offer competition, both in the matter of rates and the added convenience of point-to-point shipments—picking up goods at one warehouse and delivering direct to the customer's.

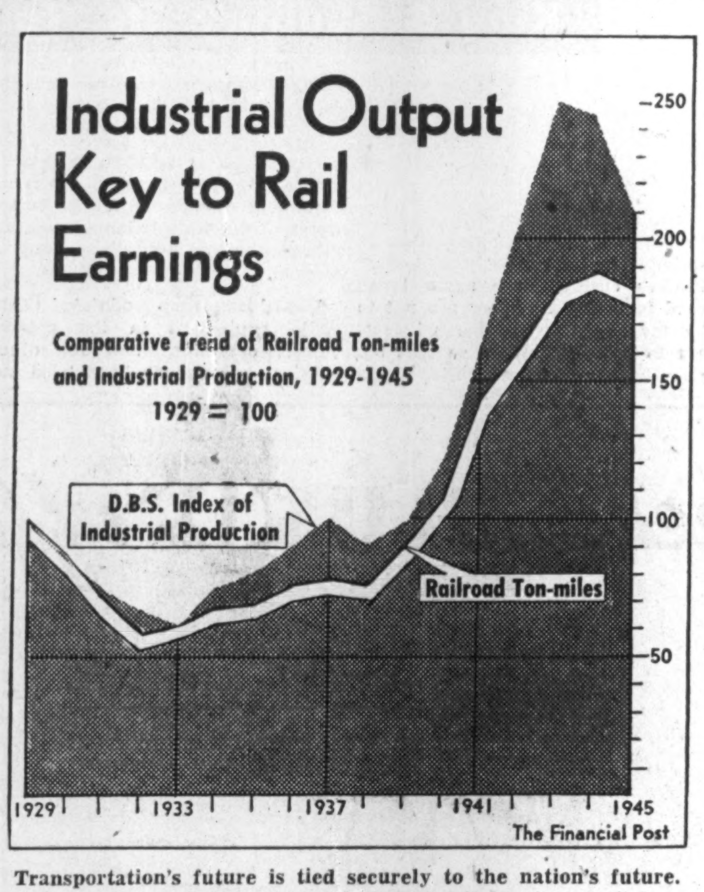
Truckers Grow in Strength

How the truckers have entrenched themselves in the nation's freight picture is indicated by the growth in the number of trucks employed as "public commercial vehicles"—vehicles which carry goods for others. Total figures for Canada are not available, but it is believed that Ontario's situation is typical. In 1939 there were 3,758 operators and 7,744 vehicles engaged as public carriers. By 1941 the number had grown to 3,911 operators and 9,318 vehicles.

Wear and tear on trucks, plus difficulty of replacement, resulted in a gradual decline over the next three years until by 1944 there were only 3,763 operators and 8,197 trucks. Last year there were 100 fewer operators, but they had 8,524 vehicles and this year that mark is expected to be topped.

The airlines have their own problem. TCA, operating its 5,200-mile air communications belt with passengers, air mail and air express, is planning further expansion, more and bigger planes, new routes and services to cities at present off the main air routes. But feeder lines will still be necessary to link large areas of Canada with the main lines and to date no one knows what sort of government assistance can be expected. Their big hope is for favorable air-mail contracts to provide the revenue necessary for regular operation, since many of them may find their passenger lists extremely scanty, particularly in the early stages of operation.

While TCA and other lines may take a sizeable chunk of passenger traffic away from the railroads and pick up other revenue from mail and express service, observers do not believe the airways will offer immediate competition in the freight field. In contrast to the United States picture, where air cargo liners are growing in number and scope of operations, little freight is carried by air in Canada, except to northern communities which cannot be reached in any other way. Before air freight and express can grow to sizeable proportions here, it is believed, hundreds of new landing fields will have to be constructed. Otherwise the difficulties involved in pick-up and delivery, except in major centres of population, will be too great.



Transportation's future is tied securely to the nation's future. Above chart shows the close relation of rail earnings to industrial production. Rail earnings are also a steady 7½% to 8½% of national income.

Faced with an immediate threat from trucking companies and a potential threat from the air, however, the railways are not sitting still. Much of their $65 millions spending program is aimed at providing new freight locomotives and rolling stock. The rails will not yield their position as freight carriers easily, because they know their future depends almost entirely on the volume of freight they move each year. They moved out of the red and into the black when railway freight traffic increased from 31 million ton-miles in 1939 to 61.9 millions last year—an increase of over 99% and 80% better than the record of 1929.

In the past there has been a certain relationship between railroad ton-miles and industrial production, although the inroads made by other carriers in recent years have made the relationship less significant. Table I shows the pattern from 1929 to 1945.

Competition Takes 15%

The widening gap between the production line and the ton-mile line represents the extent to which railroad freight traffic has been diverted to competing carriers. The chart shows that this diversion got under way in 1931 and continued throughout the war. In this respect the Canadian pictures differs from U.S. experience, where railways suffered considerable loss of freight to competitors before the war, but held their own in war years. This suggests that competing carriers in Canada did not make their position felt quite so early as in the United States, but that the movement, once started is continuing longer.

To date a diversion of some 15% of Canadian production from the railways to other carriers is indicated. Other statistics suggest that this diversion has been largely confined to manufactured articles and lighter miscellaneous freight. Basing their calculations on U.S. experience, some authorities believe this diversion has now reached its peak—that the type of freight that can be carried more economically by competitors has already been taken and that the bulkier and longer haul material has been left with the railroads.

Ton-Miles Tell the Story

This is borne out by an analysis of ton-miles (the number of tons multiplied by the number of miles transported) and tons originated. Though ton-miles in 1944 were some 85% greater than in 1929, freight originated was only 35% greater. This evidences the fact that the rails have been obtaining more long-haul traffic in recent years, partly at least because of the diversion of short-haul traffic to competitors. The average length of haul in 1929 was 304 miles, increasing to 325 miles in 1939 and reaching 424 miles in 1945.

Effect of longer hauls of lower priced freight is to depress freight revenues. Though ton-miles in 1945 were 80% higher than in 1929, freight revenues were up only 45%.

From the above it is evident that there has been a certain diversion that if the railroads are to enjoy the same revenue ton-mile traffic from railroads to other forms of transportation. In effect this means as they did before diversion, then the level of industrial production would have to be perhaps 15% greater. To get the same net earnings, railroads would need more than a 15% boost as bulk of traffic left is low net material.

But the railroads have taken good steps to offset the effect of traffic diversion by putting their financial houses in order. Fixed charges for Canadian railroads in 1945, for example, were 23.4% below 1939. In 1945 railroad operating ratio, the percentage of operating expenses to operating revenues, was 81.5% (84.6% in 1939). In assessing, therefore, the impact of the loss of certain freight cargo, reference must be made to the improved financial position of the railroads. In effect, in terms of the money equation, the railroads are better able now to withstand the loss of freight traffic than they would have been pre-war if the ratio of freight rates to price structures is the same as pre-war.

Who Carries U. S. Freight?

There are no statistics available in Canada showing the relative position occupied by the various competitive transportation units. However recent figures released by the Association of American Railroads show that freight traffic handled by U. S. railroads dropped, relatively and actually, between 1926 and 1939, recovered substantially during the war years. On a ton-mile basis, freight traffic handled by the U. S. railroads was 76.4% of total traffic in 1926; 63.3% in 1939, and 69.9% in 1944.

Balance of 1944 traffic was handled by waterways, 13% (16% in 1926); oil pipe lines, 12.5% (3.7% in 1926), and motor trucks, 4.5% (4.0% in 1926). Although the relative growth of air transport operations has been large, volume of air freight traffic is still small compared with the aggregate carried by all agencies of transport.

What agency will handle the postwar cargo traffic? Will the railroads continue to lose out in the battle for business? How will their relative positions compare in terms of cargo carried? These, and other questions are being asked by those connected with the transportation picture.

As a matter of fact these questions are not susceptible to economic measurement and ready answers. What determines the division of traffic is not always resolved by the cost to the shipper or other price considerations. Shippers, as regards freight, and passengers, as regards themselves, very often place a value on time, convenience, etc., which can't be assessed.

Long Hauls for Rails

Because of these considerations, and because railroad freight rates are designed to open up markets and not necessarily to cover costs, the freight rate structure favors railroad competitors on high valued commodities, particularly if short hauls are involved. From the railroad point of view the most distressing feature of the 15% freight diversion is that it contains some 80% of the railroads' net operating profit.

Although there obviously can't be any rule-of-thumb yardstick to determine what traffic will be carried by what unit in the postwar, it may be assumed that the big, bulky, long haul material will continue to be hauled by the roalroads. The small component parts, medical and other supplies where possibility of breakage and necessity of speed are factors will probably go to the airplanes. Trucks are admittedly more flexible than either railroads or airlines for short-haul traffic and may be expected to keep a dominant position in that field. They are ideally equipped to handle door to door transportation and particularly for handling products direct from wholesalers to retailers.

Trucks Are Biggest Threat

What rules railroads out of the short-haul traffic is their vulnerability to trucks. Highway costs are cheaper than railroad costs on short hauls (say 50 miles) because trucks avoid terminal costs. Terminal costs to railroads on short-haul traffic are a major headache.

If airways were to develop intermediate stop-off points, and pick up cargo at these points, they could greatly improve their competitive position. But observers say that this can only be a long range program which will take time to implement. One only has to consider the vast network of landing fields to be built before airplanes can handle freight in any volume, to appreciate how long it will take for airplanes to operate freight lines. In the U.S., where the technique of air cargo transportation is more advanced than in Canada, it has been estimated that it will take at least seven years before full air cargo development will be realized. And there is the engineering problem of energy dissipated in air friction to consider as well.

Yet of all the competitive forms of travel, airplanes undoubtedly stand to gain most. At present their biggest gain will probably be confined to passengers and express, but as long as the rate fare differential favors bus and railroad transportation, the airway's big dent will likely be confined to traffic that normally travels first class.

What the future holds for freight cargo, particularly the heavy cargo now a rail prerogative, depends on future trends in heavy cargo airplane designs. Another possibility for short haul air freight transportation is in the use of the helicopter and in this they will compete largely with trucks. It is understood that a helicopter route to service Quebec and eastern Ontario has already been mapped out.

Part of the answer to the postwar problem of who will carry the freight will be answered by the trend in transportation costs and in rates and fares. Prior to the war truck companies were largely unregulated and were in a position to go after high tariff commodities making whatever charges the traffic would bear. But these companies have been hit relatively harder than their rail and air competitors by heavy increased costs which has tended to weaken their competitive position. Though paying taxes on the highways they travel, it is felt in some quarters that the roads will not stand up under the heavy truck load burden and the City Council of Verdun is now taking this matter with city officials.

Involved Rate Structures

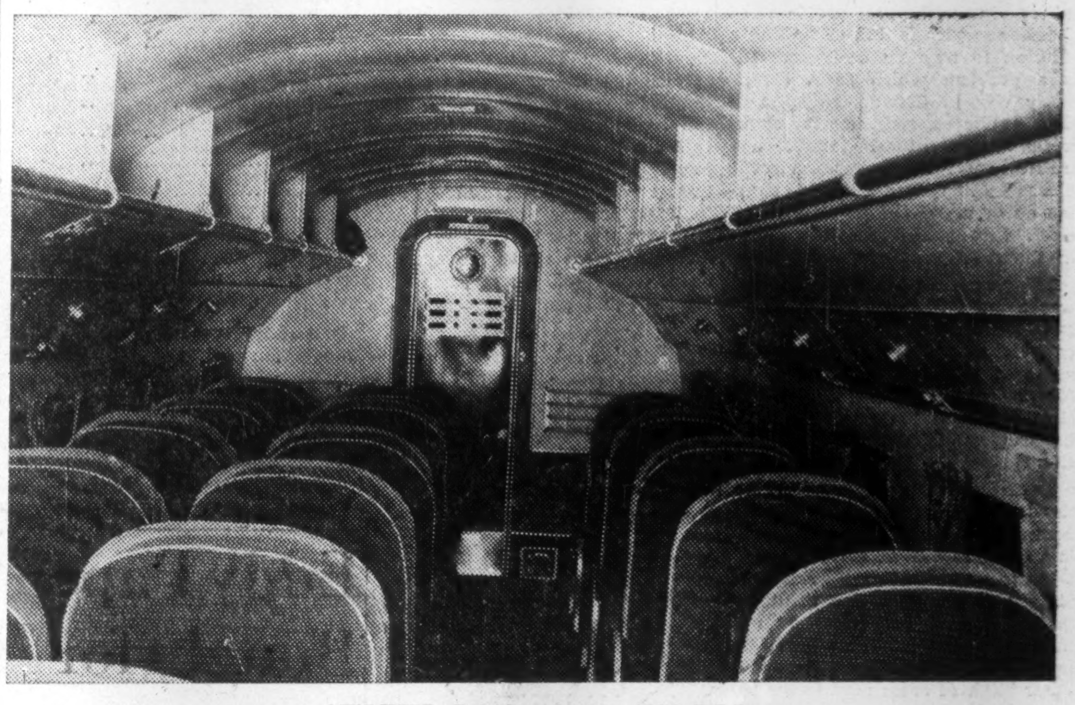
The rate structure of the railroads is a complicated affair. The special week-end fares, excursion rates, tourist and commutation rates all enter into the fare per passenger mile. Only criterion of railway passenger rates is the "average revenue per passenger mile" which was in excess of 2½c. in 1929, slightly over 2c. in 1939, less than 2c. last year. Revenue per ton-mile has plotted a similar downward trend. Actually the cost of railroad transportation services have been decreasing at a time when the index of wholesale prices have been increasing. The future of freight and passenger railroad rates rests in the hands of the Board of Transport Commission.

Although a significant factor in the U.S. freight picture, pipe lines have not yet dented the Canadian freight transportation scene. They can by no means be ruled out of the picture: their spectacular growth in the U.S. from a medium handling 3.7% of total ton-mile freight traffic in 1926 to 22.4% in 1944 shows that they have tremendous growth possibilities in Canada as well. At the moment, however, their activities are largely confined to a line running from Portland, Maine to Montreal, jointly owned by four Canadian oil companies, and to the Imperial Oil Co.'s line from the U.S. to Sarnia, Ont. To date, their traffic diversion has been at the exclusive expense of the waterways.

The waterways are generally regarded as complementary freight carriers, not competitive. Their major cargo, ore, coal, oil and grains, largely is brought to them at the head of the lakes by the railroads. In the particular sphere that they service the Canadian economy, the long hauls of bulky materials, they face no immediate competition. In terms of transportation costs, they can't be beat in the cargo they handle.

NEW BIDS FOR THE TRAVELLER'S DOLLAR

RAILS—Latest in a CPR Coach.



AIRLINES—Interior of a new TCA DC-3.

37 PASSENGER CLIPPER

BUSES—A Thirty-seven Passenger Highway Clipper

AUTOS—Mercury 114—Newest in the Ford Lineup.

One Man with a Telephone Operates 29 Shipping Lines

By ROYD E. BEAMISH

From a twelfth-floor office in Toronto's Central Building, with a single telephone and a stenographer to assist him, a British naval captain is untangling Canadian shipping snags from Montreal to Port Arthur. He has more power than any single man in the Canadian shipping industry and can get still more if he needs it. He is approachable by and immediately available to anyone concerned with shipping, from the head of the smallest union local to the biggest operator on the lakes. And yet his only equipment at the moment is a desk, a stenographer and a telephone.

Captain Eric Sydney Brand, RN, retired, has never sailed on a lake ship and knows few of the principals engaged in the dispute which brought about his appointment as controller of Great Lakes shipping. But he is thoroughly at home in his new job, just the same.

As a Royal Navy officer on loan to the RCN during the war, he served as Director of Intelligence and Plans from 1939 until this spring. His job grew from one of organization and liaison to embrace the direction of all merchant shipping out of Canada. He organized convoys, directed merchant shipping crews through manning pools into the various ships and settled differences between crewmen and employers all as part of the day's work. Now his duties as controller call for much the same type of judgment, decision and authority.

He feels his position is slightly anomalous, in that "the operators probably think I'm working for the union and the union thinks the opposite" but at mid-week he was beginning to ease both operators and workers into acting in accordance with his directives.

CAPTAIN ERIC SYDNEY BRAND

His Telephone Is Busy

During an hour's interview, Captain Brand was able to salvage exactly twelve minutes to answer this reporter's questions. The remaining 48 were taken up with a dozen long distance calls, as many more local calls and several brief interruptions from others in the office with problems which required his attention.

The telephone rang almost continuously and, with so many calls coming in, it was not surprising that a few were snarled before they got through. But while the captain gently chided the operator, muttered imprecations at those who had provided him with "this Keystone Cop telephone" and threatened to "throw this machine out the window" from time to time, he was suavity itself when calls were finally put through.

An irate operator phoned from somewhere along the Welland Canal to report employees on one ship were disobeying regulations.

A union local chieftain telephoned from another port to advise that a company was refusing permission for sailors who had been on strike to report back to work.

The controller heard their complaints, offered suggestions, promised to pass on his instruction to the other parties concerned and the callers hung up, satisfied.

Mr. Justice Richards, commissioner appointed to settle the dispute while Captain Brand keeps the ships running, arrived at that moment, shook hands with his controller and departed to arrange a meeting.

Captain Brand relaxed as the telephone mercifully remained silent.

"You asked me what my job is," he said. "Now I imagine you know. I'm a sort of board of directors for all the shipping companies on the

(Continued on page 30)

Transit Traffic Gain Over '45 Amazes Carriers Adds Urgency to Call for New Trams and Buses

Transit traffic has not fallen off since V-J Day as transit officials expected. Canadian passenger traffic instead, is said, to be running about 6% ahead of last year in spite of the competitive effect of the lifting of gasoline and tire restrictions. Some local decreases have been experienced but traffic is still increasing in many other centres.

As a result what was expected to be one of the main problems facing transit officials in the postwar period—how to retain the war induced gain in passenger traffic—is not an immediate one. More urgent now is the problem of obtaining new equipment and renovating old equipment to handle the heavy traffic requirements.

Delays in reconversion programs are seen giving public transportation companies perhaps another two or even three years before the maximum competitive effect of the automobile will be felt.

In this breathing spell the transit industries should take full advantage of their opportunity to adopt and carry programs designed to retain as much of the present riding as possible and to attract new riding, G. G. Steele, President of the American Transit Association told the Canadian Transit Association's recent annual meeting. The provision of faster more comfortable and more economical service was seen necessary to hold traffic gains.

Attack Traffic Congestion

Tied in with the problem of speedier service is that of finding a solution to traffic congestion. This is a problem which faces almost every city in Canada. In spite of huge public expenditures for street widening, new thoroughfares, and traffic control measures, traffic blockades more and more are slowing down the circulatory system of cities with resulting costly delays in the movement of people.

This problem of traffic congestion was a main topic of discussion by transportation experts at the recent 41st annual meeting of the Canadian Transit Association. They foresaw a resulting trend to possible disintegration and consequent bankruptcy of big urban communities.

Traffic congestion is one cause of the shift of population from older central districts of cities to suburban areas, said G. C. Hecker, executive manager of the American Transit Association. This results in depreciation of property values in business districts—the high tax base areas—and the development of other blighted areas next to the run down business centres. At the same time the cost is increased of extension to suburban areas of necessary public services such as water, sewerage, light, police and fire protection.

Many experts in the field of city planning are convinced these trends must be checked if large urban communities are to avoid bankruptcy, Mr. Hecker says. Population and industry are increasingly inclined to take flight if the traffic problem is not solved. The decentralization process has already started, Mr. Hecker pointed out, and uncontrolled urban decentralization threatens the very existence of cities in their present form. Both in the best interest of the community and in its own interest transit management should take an active part in city planning, he believes.

Proper development of local public transportation facilities and encouragement of their use is seen as one of the most promising means of relieving urban traffic congestion and forestalling the need for increased expenditure for street improvement.

Transit vehicles require a much smaller amount of street space per person and need practically no parking space.

A 40-passenger bus is 10 times as efficient in the use of street space as the average automobile, Mr. Hecker pointed out. (Based on 1.7 passengers per automobile, the average indicated by counts in many cities, and an automobile length of approximately 16 feet, an automobile passenger occupies a little less than 10 feet but in a 40-passenger motorbus of about 35 feet long and with no standees a passenger occupies only 9/10ths of one foot.)

Mass transportation facilities move people faster than private automobiles it was pointed out. A single lane on an express highway can move about 1,500 automobiles an hour or about 2,600 to 2,800 passengers, Mr. Hecker said. A surface transit vehicle can carry from 9,000 to 12,000 persons per hour per lane depending on its size. Rapid transit systems, where trains are operated on private rights of way, can carry up to 40,000 passengers per hour per lane.

Equipment is Headache

A most pressing problem of all Canadian systems is that of obtaining more equipment and modernizing facilities to meet the requirements of the greatly increased traffic.

Both the operating and manufacturing sections of Canada's transit industry has ahead of it at least a year or two of headaches. Operators still have to handle more traffic than ever before and this with sadly depreciated equipment. Although operators want to increase and modernize their equipment, as they pledged the public they would, they can't keep their promises at present.

Manufacturers can't turn out new equipment fast enough. From every city in Canada there are orders. One manufacturer said at the Transit Association meeting that the demand was just about 10 times what could be supplied within any reasonably short period. Materials are scarce, in fact harder to get than at any time during the war. Both materials and labor are also higher in price.

The number of new vehicles received in 1945 by members of the Canadian Transit Association was actually less than in any war year. Vehicles received in 1945 were as follows:

	Street Cars	Trolley Buses	Motor Buses
	Purchased and Delivered in 1945		
Border Transit	..	..	1
Brantford P. U. C.	..	..	6C
B. C. Electric	15	..	5
B. C. Motor Trans.	..	..	22
Canada Coach Lines	..	..	5
C. N. R. Elec. Lines	..	..	2
Cornwall St. Ry.	2	..	..
Edmonton St. Ry.	..	10	..
Guelph Trans. Comm.	..	..	2
Hamilton St. Ry.	..	..	5
Kitchener P. U. C.	..	..	4
Levis Tramways	..	..	1
London St. Ry.	..	..	15
N. B. Power Co.	..	..	2
Prov. Transport	..	..	4C 54 I
Quebec Ry., L. & P.	..	..	3
Sandwich, Windsor & Amherstburg Ry.	..	..	4
Saskatoon Munic. Ry.	..	..	1
St. Maurice Transport	..	..	4
Toronto Trans. Comm.	25	..	15C 10 I
Vancouver Is. Coach	..	..	6 I
Winnipeg Electric	..	8	..
	42	18	171

C—City. I—Interurban.

The drastic need for more vehicles is readily understood from an examination of traffic statistics. Since 1939 the total number of revenue passengers carried has increased 123.6% and mileage operated is up 60.4%. This was accomplished with an increase of only 31.6% in passenger-carrying vehicles. The record for the war years is shown in the accompanying table.

TRANSIT GROWTH

	Revenue passengers (number)	Increase in year %	Mileage operated (miles)	Increase in year %	Equipment available (vehicles)	Increase in year %
1945	1,419,082,186	5	206,932,935	2	5,804	0.8
1944	1,357,477,362	7	202,404,739	7	5,757	7
1943	1,269,084,203	20	188,406,766	7	5,380	2
1942	1,060,558,149	27	175,242,766	14	5,283	8
1941	834,239,284	5	154,252,152		4,909	
1940	791,162,238	25	Not available			
1939	634,761,763		128,970,183		4,409	

Source: Canadian Transit Association.

One of the clear-cut trends in providing new and better facilities is the swing to trolley buses. Their curb-loading feature means that they do not stop traffic in loading and unloading passengers. Quickness and quietness of operation and the absence of motor roar and exhaust fumes are other appealing features while their use saves the capital expenditures required for tracks. The operating experience 1941-45 inclusive of Winnipeg Electric Co. with all three types of vehicles—streetcars, motor buses, and trolley buses—indicates:

(a) Trolley buses carry more passengers per mile than do either streetcars or motor buses.

(b) Operating expenses per passenger are lower—3c. as compared with 4½c. for streetcars and over 6c. for motor buses.

(c) The best net revenue per passenger results in the trolley bus operation.

The suitability of trolley buses, however, would depend on local conditions, transit officials point out. A large system would require all three types of vehicles to operate most efficiently and most economically. For smaller systems streetcars may not be necesary and if a system is very small motor buses alone might be the most efficient type.

The only cities in Canada where combined services of electric cars, gasoline buses and trolley buses have been operated are Montreal, Winnipeg and Edmonton. In 1945 trolley buses carried 0.8% of the passengers in Montreal, 9.8% of the passengers in Winnipeg and 19.9% of the pasengers in Edmonton. Edmonton anticipates that by 1950 all its present streetcar routes will be replaced by trolley-bus equipment.

Things to Come

In addition to an increase in use in trolley buses stress will be placed on improvements in appearance, in riding comfort and in engineering. Rubber cushions are again being used for seats. Standees are not to be forgotten as standee windows are to be incorporated so that the strap hanger will have better vision of the street as the car travels along.

An essential in the safe operation of streetcars is braking. There is now said to be a trend to the elimination of compressed air for braking and the installation instead of electric brakes which work by a magnet.

Use of frequency modulated (FM) radio equipment in the control transit operations and for other services has already been tried out by some systems and is expected to be increasingly used.

The two largest Canadian centres, Toronto and Montreal, have rapid transit plans to simplify mass transportation. Toronto's TTC plans a $51 million program of which it is hoped the Yonge St. line will be completed by 1950. In Montreal the subways plan prepared by Montreal Tramways Co. has been forwarded to the greater Montreal Economic Council. It involves the construction of nearly nine miles of subway at an estimated cost of $65 millions.

Transit officials say that a lighter, faster, quieter rapid transit car than is used in New York City is planned for Canadian use. It is expected to be about the same size as the PCC cars with plenty of doors for entrance and exit. These cars would run either singly or as trains, the size depending on the load to be carried.

For all types of vehicles stress

(Continued on page 19)

At least 10 Canadian cities are adding trolley coaches to their transportation systems; more are considering it. Electrically propelled and with a touring range on either side of the trolley wire of 12-15 ft., the new trolley coach can move over to the curb to load and unload passengers, permitting the stream of traffic to flow by unimpeded. Rapid acceleration, quietness, absence of fumes, are all important passenger improvements. In most cases where trolley coaches have been operated in conjunction with streetcars and motor buses the trolley coaches have proved most profitable to operate.

Trolley Coaches Seen Replacing Street Cars, Buses in Many Cities

Trolley coaches will be a common sight in many Canadian cities soon. Nine cities have already placed orders for delivery this year; others will follow suit when utility committees, investigating postwar urban transportation problems, bring in their reports.

Following cities are ordering trolley coaches for the first time:

Toronto, 50—(Had several of an outmoded type a few years ago operating under far from ideal conditions.)

Calgary, 30
Saint John, N.B.; 12
Regina, 10
Kitchener, 10
Fort William, 8
Port Arthur, 8

These cities, that have used trolley coaches for some time, are ordering more:

Winnipeg, 25
Edmonton, 22

If deliveries can be made, 10 Canadian cities will have 242 trolley coaches in operation by the end of the year. This will represent an increase from now of 400%.

The United States had 3,651 trolley coaches operating early in 1945 and if deliveries can be made, 4,844 will be carrying passengers by the end of this year. Chicago, Cleveland, Cincinnati, Indianapolis, Milwaukee, Columbus are a few of the cities involved.

Have 12-14-ft. Swing

The new trolley coaches will look something like an extended, streamlined bus, with a double trolley-pole arrangement giving wider overhead "touring range." Actually the new trolley coaches can swing from 12 to 15 feet on either side of the overhead wires. Most of the new types will seat 44 passengers as against the average streetcar's 54 and city bus's 29 to 33. The coaches will operate on rubber, pneumatic tires.

The traffic capacity of a street is said to be considerably increased when trolley coaches replace streetcars. The curb loading feature which permits other traffic to continue when trolley coach stops at the curb and the rapid acceleration and high speed of the trolley which permits it to quickly regain and maintain its place in the stream of moving traffic, are the outstanding advantages over the streetcar and present-type city bus, city traffic officials say. But other very important features from the standpoint of passenger travel are; quietness, absence of gasoline fumes, improved heating and lighting.

In almost all cases where trolley coaches are operating along with streetcar and motor-bus services, the trolley coach has proved the most profitable per seat mile. Maintenance costs, particularly, were less during war years than in the case of streetcars and large buses, it is stated.

Here is the experience of Winnipeg Electric Co. for the years 1941 to 1945 inclusive.

Average net revenue per passenger:

Motor buses	Loss 18/100c.
Streetcars	1.05c.
Trolley Coaches	2.74c.

Another very important consideration for utility companies faced with long-deferred transportation projects—improvements to carline services entail heavy capital expenditures for track renewals. One or two cities choosing trolley coach for postwar transportation systems have been influenced in their decisions by the desire to use existing power and distribution facilities.

A prime requisite, however, for trolley coach service is a smooth roadway. Some cities, in estimating cost of installation of new service, include sizeable expenditure items for road repair.

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Railways' Spending Plans Aggressive Will Fight to Hold Traffic Gains

Canadian railroads, continuing a long-term program of adding new equipment, plus additions and betterment to existing plant and equipment, plan to give their physical properties the benefit of some $65 millions in new spending this year. This compares with $46.2 millions in 1945 and shows how aggressively the railroads are meeting the challenge of Peace Year I and the ensuing period.

Both the CPR and the CNR may be expected to encounter difficult problems this year, largely associated with declining traffic volume and relatively heavy costs. Such problems are in fact already present. Biggest problem for the railroads is conceded to be the relationship that will exist between railroad earnings and expenses—in effect, how much of operating revenues will be brought down to net profit.

Insofar as it is within the power of management to retain the favorable position the railroads enjoyed during the war years, management means to go all out this year in that effort. The railways are not defensively trusting that traffic will come their way: they are on the offensive in their search for this traffic.

CPR Bid $42 Millions

The CPR plans to spend $42 millions this year in its quest for a reasonable share of freight and passenger traffic. Of this, $13.4 millions will be used for auxiliary steamship and communication services. The total is a substantial increase from the 1945 level. Included in this year's capital expenditure budget is the sum of $18 millions to be spent on new rolling stock and on additions and betterments to existing rolling stock. It includes 40 Pacific types steam locomotives; designed primarily for branch-line working; 14 Diesel switching locomotives; 1,750 freight train cars and 52 work units.

The CNR has set up $22.9 millions this year for additions and betterments to its railway system and for new equipment. Additions and betterments will account for $14 millions of this total: new equipment for $8.9 millions. Additions and betterments in the case of the CNR, as with the CPR will be distributed throughout central, western and Atlantic regions. The $8.9 millions for new CNR equipment will cover the cost of 16 Diesel switchers, 30 coaches, 10 baggage cars, 200 refrigerator cars and 10 mail and express cars. Additional orders will be placed this year (although delivery and financial provision won't be made until next year) for 20 sleepers and 100 refrigerator cars.

The railroads took advantage of their wartime prosperity to put their financial house in order. Not only did they reduce debt, cut fixed charges and greatly strengthen their working capital position; they also brought about operating economies and improved use of their facilities which will enable them to meet more successfully whatever traffic trials the postwar period may have in store.

While total long-term funded debt (including CPR's debenture stock). was cut 45% since 1938, if consideration is given to improved working capital position, the adjusted figure would show a 52% improvement, a not inconsequential performance. Fixed charges have been cut 14.6% in the same period of time.

The railroads also recorded strong wartime gains in improved operating efficiency and more economical use of equipment; hope to keep up their performance in this field after the war though recognizing that certain wartime economies, such as those attendant on maximum car and train loads, will necessarily disappear with traffic volume declines.

The following statistics reveal some significant trends in operating efficiency:

	1929	1939	1944
Av. tons per loaded car mile	24.52	27.23	32.70
Rev. tonnage av. freight train	523	602	789
Tractive power—av. lb. per locomotive	36,201	39,704	42,713
No. of cars av. freight train	38.16	42.48	43.64
Operating ratio, % ..	36.15	37.23	39.46

Though the year 1946 is beset with uncertainties as to the actual level of industrial production and consumer income that might be realized, and hence the volume of traffic foreseeable, the CNR has prepared certain estimates of expected revenues, expenses and surplus. These figures indicate that anticipated operating revenue is likely to be $381.3 millions (up fractionally from 1942) with operating expenses calculated at $325.5 millions, or the approximate 1943 level. After all income charges, the budget shows an indicated cash surplus of $7.5 millions. This would represent a $3.5 millions improvement over 1941, a drop of $17.3 millions from 1942, but at all events a surplus. In 1945 the CNR estimate of the amount that would likely be carried down to surplus was 99% correct.

Financial Position of Railroads

	Funded debt (including CPR debenture stock) ($ millions)	Net working capital ($ millions)	Funded debt minus net working capital ($ millions)	Fixed charges ($ millions)
1938	1,778	68.6	1,709	80.3
1939	1,787	81.6	1,705	79.0
1940	1,703	81.7	1,621	79.5
1941	1,607	107.3	1,500	78.1
1942	1,247	129.4	1,118	75.4
1943	1,155	150.9	1,004	74.7
1944	1,030	157.9	872	71.3
1945	972	151.7	820	68.6

Transit Traffic Gains Sharply

(Continued from page 18)

will be placed on improving appearance. In addition to new types of lighting, stanchions, seat cushions and upholstery material, the industry is expected to pay more attention to cleanliness, upkeep and painting of the vehicles in use.

In addition to keeping the equipment in use in tip-top condition, the retiring president, of the Canadian Transit Association, D. N. Gill, general manager of Ottawa Electric Railway Co., suggests that the public be told more about the transit business and its problem and difficulties. He feels that if the citizens realized that a PCC would cost $35,000 or a trolley $18,000 the old cars might look pretty trim to them. Mr. Gill also felt that the industry might cut its cost of new equipment by standardizing its demands on manufacturers instead of ordering special features.

DISTILLERS CORPORATION-SEAGRAMS LTD. shareholders adopted a proposal to split the common shares 5 for 1. As a result of adopting by-law 35 the authorized common share capital now becomes 11,500,000 shares.

This diesel electric switching locomotive is ideal for negotiating sharp curves at private sidings. Diesel engines get high thermal efficiency out of fuel, a factor likely to broaden their use.

Protect 'Local' Airlines From TCA Competition

OTTAWA (Staff)—The Air Transport Board has definitely established that a "local service" such as the Vancouver-Victoria run of CPA is entitled to "protection" against a through service such as TCA. A similar principle is expected to govern operation of TCA and Maritime Central between Yarmouth and Halifax and all other similar situations.

This important decision was brought out during examination of H. J. Symington, president of TCA, by the Parliamentary Committee on Railways and Shipping. Other information brought out in discussion leading up to adoption of the TCA report by the committee included:

—The 24 DC-3 conversion jobs ordered by TCA from Canadair are costing $150,000 each.

—The present TCA transatlantic service is being increased from five to seven services a week. No further extension is expected until TCA gets delivery of new planes.

—In 1945, average passenger fare in Canada was 5.15 cents per mile Canadian funds). In the United States the average was 4.84 cents (U. S. funds).

—TCA has negotiated a new "per pound mile" airmail contract effective April 1 (1.5 mills for the first year, declining .2 mills each year to .9 mills in 1949.50). The old contract would have shown a comparable rate of 1.76 mills for the first three months of the present years.

—Saint John failed to get its Clover Valley airport, despite purchase of the land by the Government, because subsequent investigations showed weather conditions would permit its use "only to a very limited extent." Investigations are being carried further.

—In 1945, TCA paid $480,000 for gasoline and $990,000 more for extra operating costs, than would have been paid by a similar airline operating in the United States.

Rate Almost Doubled

Respecting the Vancouver-Victoria rate situation, it was established that TCA has recently almost doubled its rate between these two points. Single fare of $3 (without tax) is now $5; return fare, formerly $5.40, is now $10.

Under questioning, Reconstruction Minister Howe and Mr. Symington disclosed that the increase had been ordered by the Air Transport Board of Canada to permit Canadian Pacific Airlines to continue to operate their "shuttle" service between these two points at a profit. Mr. Howe forecast a similar attitude in respect of TCA "mainline" competition between Yarmouth and Halifax. Commented Mr. Howe:

"There is a great amount of traffic between Vancouver and Victoria and the Canadian Pacific Air Lines ran 11 flights a day; but Trans-Canada was not in a position to run more than 4 flights a day, and all the seats, however, were not available for local traffic. It was not felt to be desirable that Trans-Canada should, with its earnings made over a 5,000 miles of operation, put the Canadian Pacific Air Lines out of business by quoting a rate which would not have permitted Canadian Pacific Air Lines to function.

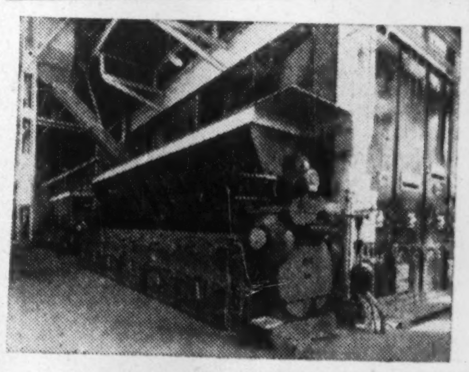
"The same situation arises in the Halifax to Boston run. The Maritime Central Air Lines operates between Yarmouth and Halifax. It is desirable, in the interests of public service, probably, that TCA will put in a stop at Yarmouth to pick up passengers for Boston, and naturally they wish to carry passengers between Halifax and Yarmouth. TCA must not charge a rate which would be hurtful to the local run.

Later, questioned as to how many times the Board had made a decision similar to the Victoria-Vancouver edict, Mr. Howe replied:

"This is the first occasion that the TCA has come into direct competition with a well-established line, over the years, giving the necessary service; and I think a reasonable interpretation of the air regulations would indicate that a local service should be protected just as Mr. Symington suggested by international services."

(The reference to Mr. Symington and international services came about because Mr. Symington, under questioning in the committee, declared that before the "fifth" freedom in international air travel was established it was necessary to establish safeguards to prevent "local" or shuttle service being put out of business by world-girdling competitors.)

PLACER DEVELOPMENT owns 51.6% of the new operating Nechi Consolidated Dredging which recently took over large placer acreage in Colombia. Under terms of the lease covering 92 miles in the area, Nechi pays the various mine owners a royalty of slightly under 5¼% of the gross value of gold recovered. Placer Development receives $580,000 to cover property payments and drilling expenditures made on the acreage. Management and direction of new company's operations are under technical supervision of Placer Development.



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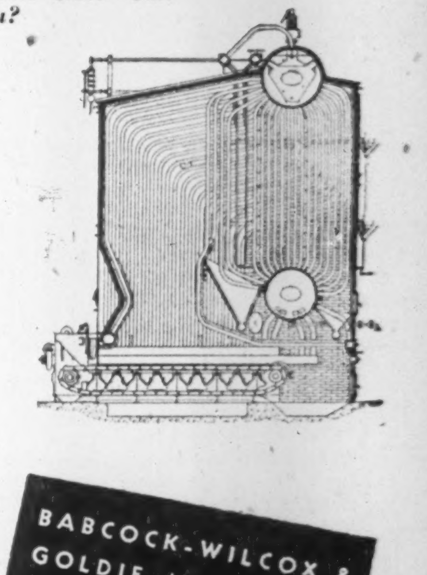

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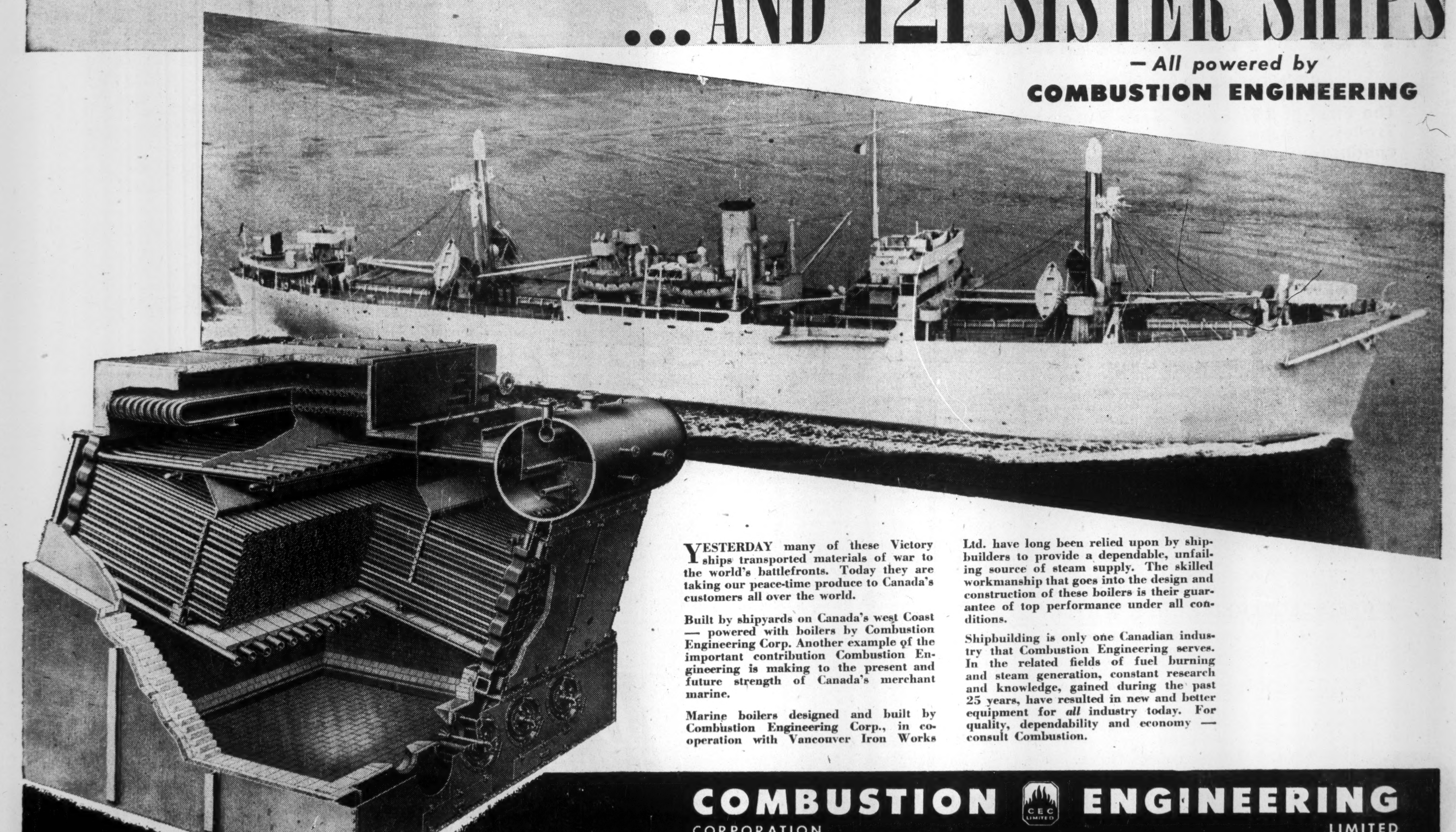

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Shipbuilding is only one Canadian industry that Combustion Engineering serves. In the related fields of fuel burning and steam generation, constant research and knowledge, gained during the past 25 years, have resulted in new and better equipment for *all* industry today. For quality, dependability and economy — consult Combustion.

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Truck and Bus Transport Still Lacks Equipment But Promises Major Advances in Next Few Years

The war brought about a tremendous expansion in truck and bus transportation. But long-postponed repair, new equipment and new legislation are immediate "musts" if the wartime advance is to be maintained and furthered, according to representative commercial carriers.

Today a much wider diversity of goods is being carried by truck than in earlier years of highway transport. Practically everything required by the armed forces during the war at one stage or another moved by truck. Flexibility in operation, less handling, smaller inventories, all made for efficient and hence economical service.

High rate of daily "shift" in wartime population brought about tremendous expansion in bus transportation. Today's high rate of industrial activity arising from long postponed consumer wants and generally high level of earning power promises to maintain a good part of the wartime travel tempo.

Want Trucks, Rate Relief

Most pressing problem at the moment for bus and truck owners is continued inability to secure delivery of long-promised new equipment. Despite high priorities buses or new trucks are not yet coming through in any substantial quantity. It appears now that operators will have to continue to use the war-worn equipment for many months to come, regardless of the uneconomic maintenance costs and reduced efficiency entailed.

Equally disturbing, the carriers report, is the problem of still rising costs in the face of a generally continuing pre-war rate structure. In 1945 an increasing number of carriers operated at a loss, or at a profit so small as to be considered negligible. A survey made among a representative group of Ontario carriers with a gross income in excess of $7 millions in 1945 revealed that their profit was but 1/3 of 1%.

Now, an application for wage increases for highway drivers is before the National War Labor Board at a time when the prevailing labor cost already, assertedly is about 30% of gross income. The truck owners feel the industry cannot absorb any wage increases, let alone the other additional cost increases, without a rise in freight rates.

With the wartime expansion in truck transportation and an anticipated early return to competitive operation, wider rate regulation is deemed an absolute "must" by most operators. Rates are now being regulated in British Columbia, Saskatchewan and Manitoba. In Ontario the Automotive Association of Ontario, representing highway carriers, and other organizations representing the shipping public, are currently preparing a joint submission to the Ontario Government.

Trucking service increased at a fast clip during war. Now freight rate revisions and replacement of wornout equipment are immediate "musts" if the service is to maintain and add to wartime expansion.

Better Trucks On Way

The truck of the future will be tailored to specific use and conditions, permitting higher efficiency than ever before obtained. Some of the developments will likely be:

1. A truck engine by 1949 with a weight ratio per horsepower as low as three pounds.
2. Automatic transmission.
3. Power steering.
4. Automatically varying tire pressures suiting variable road conditions.
5. Use of light metals to cut deadweight and increase gross payload.
6. Use of plastics in the cab to help lighten and streamline the unit.
7. Increased driver comfort.
8. Further use of cab-over-engine design, including power-controlled tilt cab to aid loading.
9. Refrigerator trucks to carry specially frozen and fresh fruits, vegetables and meat—the air conditioning unit can be used for heating purposes as well.
10. Long-distance sleeper trucks, mobile groceterias and butcher shops.

The motor coach of the future will be longer and wider than at present, all engineers agree. How much will depend primarily upon governing regulations and the progress made by highway engineers in designing and building the type of highways needed. One prominent U. S. engineer says the long-distance bus will be around 102 in. wide and 40 ft. long. Maximum passenger roominess, comfortable seating, improved standee and driver vision will, however, receive first consideration.

Most engineers agree that the gasoline propelled vehicle will continue to be the choice of the majority of operators in spite of increasing popularity of the Diesel engine in the last five years.

Looking even farther into the future they see a power generating equipment possibly consisting of a gas turbine connected to a small high-speed glass-insulated D.C. generator. This, at any rate is the vision of L. H. Smith, vice-president in charge of engineering at General American Aerocoach Co. Four high-speed electric motors of 75 h.p. each may be used to provide flexibility in the final drive. This type of power, Mr. Smith says, will develop high speeds economically and provide constant high torque. Speed in excess of 100 miles per hour on suitable highways will be accepted as common and acceleration will be at the rate of 3½ miles per hour per second.

In Canadian cities the biggest postwar development seems to be in the field of trolley-coach transportation. Edmonton, Winnipeg and Montreal have been using this means of transportation for some time. Many other Canadian cities have already placed orders for the new improved trolley-coach. In most cases the trolley-coach is being used as an auxiliary service to operate in conjunction with city buses and streetcars. Trolley-coach replacement of carline services are being made in some cases, however, to escape the heavy capital expenditures required by track renewals.

Introduction of trolley-coaches in place of streetcars is reported to increase a street's traffic capacity, and the speed of traffic as well, because: (a) curb loading permits other traffic to continue past the standing coach; (b) rapid acceleration and high speed of the trolley-coach permits it to quickly regain and maintain its place in the stream of moving traffic.

The trolley-coach is claimed to have the lowest average operating cost per seat mile of any equipment in comparable use.

The Toronto Transportation Commission has ordered 50 trolley-coaches for delivery this fall.

Many new transport terminals are being constructed across the country. Very different from the old barnlike buildings, the modern terminals are being carefully designed. New truck terminals will have improved housing facilities for drivers. Bus terminals will offer many diversions for the tired traveller.

To eliminate road delays and speed up delivery a large American trucking service is trying out two-way radio. If the experiment proves successful it can be anticipated that Canadian carriers will inaugurate similar services.

The great increase in air cargo transportation will also mean more business for motor freight carriers. In most cases railway facilities to airfields are limited and the bulk of this business will fall to trucks.

Commercial motor vehicle registrations increased in Canada from 9,600 in 1915 to 325,000 in 1945. Investment in equipment and terminals is estimated at over $500 millions. In the neighborhood of 450,000 persons are directly employed in their operation and maintenance.

There are many indications that full employment is ahead for these facilities and these workers. Of Canada's 22,092 communities, 14,278 are not located on rail. About 53% of the 14,278 are more than five miles from their nearest railway station. Of the 728,623 occupied farms reported in the 1931 census, 354,473 or 49% are more than five miles from the nearest railway station while 518,487 or 71% are more than five miles from the nearest market town.

Law for Laymen

Herewith The Financial Post gives readers an analysis of legal decisions and rulings that may affect you or your business. It is emphasized that the brief legal notes below are designed to serve as hints and warnings only. Consultation with your solicitor is advisable when any of these problems arise in your affairs.

(Copyright)

ANNULMENT OF MARRIAGE is not a divorce. A divorce terminates a marriage; an annulment is a ruling that a marriage never existed, because of some legal barrier,

* * *

HOLOGRAPH WILLS (i.e., wills written entirely by hand, by the testator) are practically outmoded nowadays. Most provinces require a will to be properly and formally witnessed, whether typed or written by hand. Your lawyer can tell you the rules in your own province.

* * *

STAY WITHIN YOUR SPHERE, if you are a limited partner in a business firm. That sphere should be confined to advice or enquiry. If you take a more active part in the management, you may find yourself saddled with the liability of a general partner.

* * *

A VERBAL PROMISE given by one person is no binding surety for a debt contracted by someone else. If you are asking for such a surety, be sure to obtain it in the form of an unconditional, written guarantee.

* * *

INTEREST RATES quoted on a loan, can be misleading. If the full quoted interest on the original sum is added to the principal, and if this total sum is repaid in frequent installments, the actual rate of interest often works out at double that quoted.

* * *

A HUSBAND OR WIFE who is too eager to co-operate in obtaining a divorce may often defeat that aim. An agreement between husband and wife to arrange for the necessary incident and the evidence of it, is collusion, which is prohibited by Canadian law. If it is proved, the case will be thrown out of court, and the parties may find themselves "in contempt of court."

* * *

"QUIET ENJOYMENT," as specified in a lease, does not guarantee you either silence or tranquility. Basically the phrase refers to protection against claims by other persons, to the property.

* * *

DON'T SIGN an installment contract which you might be unable to carry out under adverse circumstances. The holder of the note may not be interested in your personal misfortunes; or he may be "up against it" himself. Similarly, don't take for granted that you can be sure of obtaining a deferment or rearrangement of terms.

* * *

THERE IS A SHARP difference between buying an article outright and accepting it on approval or test. If you are doing the latter, check carefully any document you are given to sign to be sure that it does not commit you to outright purchase.

* * *

IT IS SOMETIMES false economy to write off small debts owing to you, merely because you feel it would be too much trouble, or too expensive, to try to collect them. If your debtor is at all able to pay, a claim can be lodged very inexpensively through the local small debts court.

* * *

CORRESPONDENCE SCHOOLS offer many valuable courses. But before subscribing for one offered by a strange school, it is advisable to check with the nearest Better Business Bureau, on the status of the school in question. And beware of offers which promise you a job immediately on completion of the course.

* * *

IT IS INDISCREET to sell to, or buy from, an estate or trust of which you are the executor or trustee. It is practically impossible to justify such a transaction before the courts.

* * *

"ENOCH ARDEN" MARRIAGES—that is, a second marriage, in the belief that one's first husband or wife is dead—are not fully valid. Long absence of the first spouse, under such circumstances, may protect you against a charge of bigamy; but if he or she reappears alive, the second marriage is not valid.

* * *

PARTNERS in business firms are advised to make arrangements as to the future of the business, in the event of their death. "Can your widow operate it as profitably as you?" is one question suggested for consideration. "Have your partners or employees the capital to pay off your interest in it?"

GOOD NEWS FOR T.T.C. PASSENGERS

67 NEW BUSES ARRIVE

The First of 291 Street Cars, Buses and Trolley Coaches, which are on order, costing over Six Million Dollars.

191 NEW BUSES AND TROLLEY COACHES

Although shortages and delays are still retarding deliveries, 67 new buses have arrived in recent months, and it is expected that a few more will be delivered in the near future.

These are the first of 191 buses and trolley coaches that have been ordered at intervals since October, 1944.

100 NEW STREAMLINER STREET CARS

And here is more good news: Recently the Commission succeeded in placing an order for 100 of the new post-war model of streamliner street cars, but they are not promised before 1947.

T.T.C. MEN RETURN

The manpower situation has improved. New operators are being trained as quickly as possible and a large majority of the T.T.C. men on active service have returned from the war to their jobs.

OVER-CROWDING WILL CONTINUE FOR SOME TIME

However, it is impossible to promise immediate substantial improvements in service for the following reasons:

1. Although it is a full year since the war in Europe ended, the number of T.T.C. passengers carried daily has shown no sign of reduction.
   During the first 5 months of 1946 T.T.C. cars and buses actually carried about 5,000,000 passengers more than during the same months of 1945.
2. Future delivery dates for equipment are uncertain. It will be some months before the 50 new trolley coaches are in service.

MORE STAGGERED HOURS WILL HELP

The present number of 5.00 p.m. passengers is up 35% over 1940.

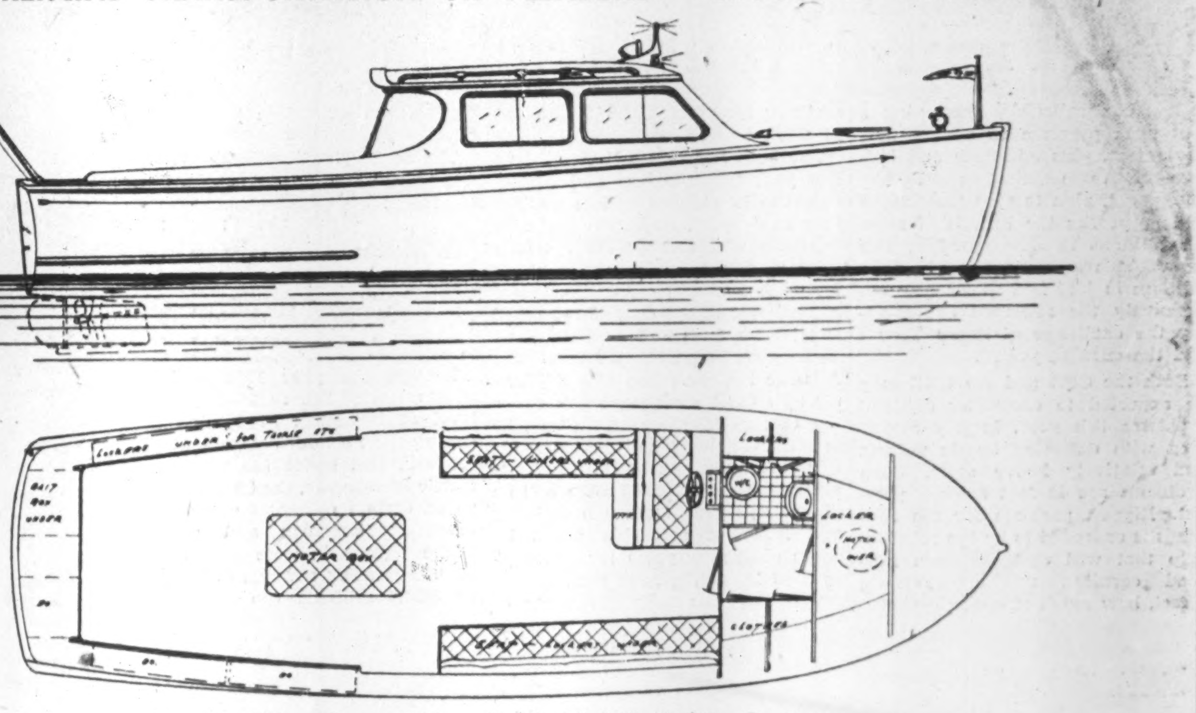
Staggered hours spread the demand for service so that rush hour extra cars can make two trips from downtown instead of one trip.

T.T.C. MEN WILL DO THEIR BEST

We will make every effort to give you the best possible service and we appreciate the continued patience and support that proved so helpful during the war years of the transportation emergency.

TTC TORONTO TRANSPORTATION COMMISSION

COMMERCIAL TRANSPORTATION OR PLEASURE — CHOOSE A "MIDLAND"

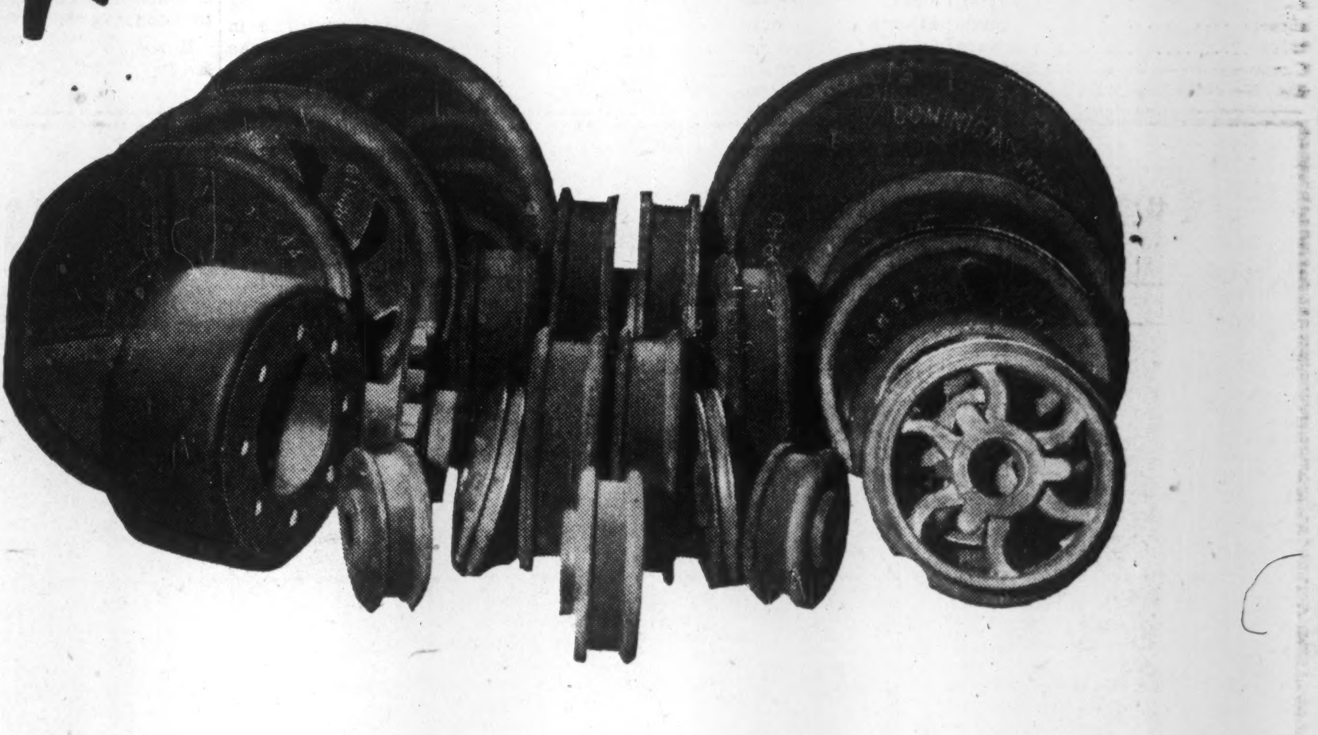


Length 36' — Beam 11' — Draft 2' 10" Utility Cruiser

BUILDERS OF ALL TYPES VESSELS UP TO 150 FEET IN LENGTH

MIDLAND BOAT WORKS — MIDLAND, ONTARIO

Wheels for many types of TRANSPORTATION



SCORES of industries across Canada use standard (or custom built) wheels from Dominion Wheel and Foundries for many transportation purposes — including railway freight cars, street car wheels and mine car wheels. All Dominion wheels are subjected to rigid and constant tests to ensure long wear and safety.

We invite enquiries for any type of chilled tread wheel. *Write today.*

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Marine Equipment Manufacture and Repairs.
Industrial Equipment manufactured from blueprints.
Cast Iron Pipe and Fittings.
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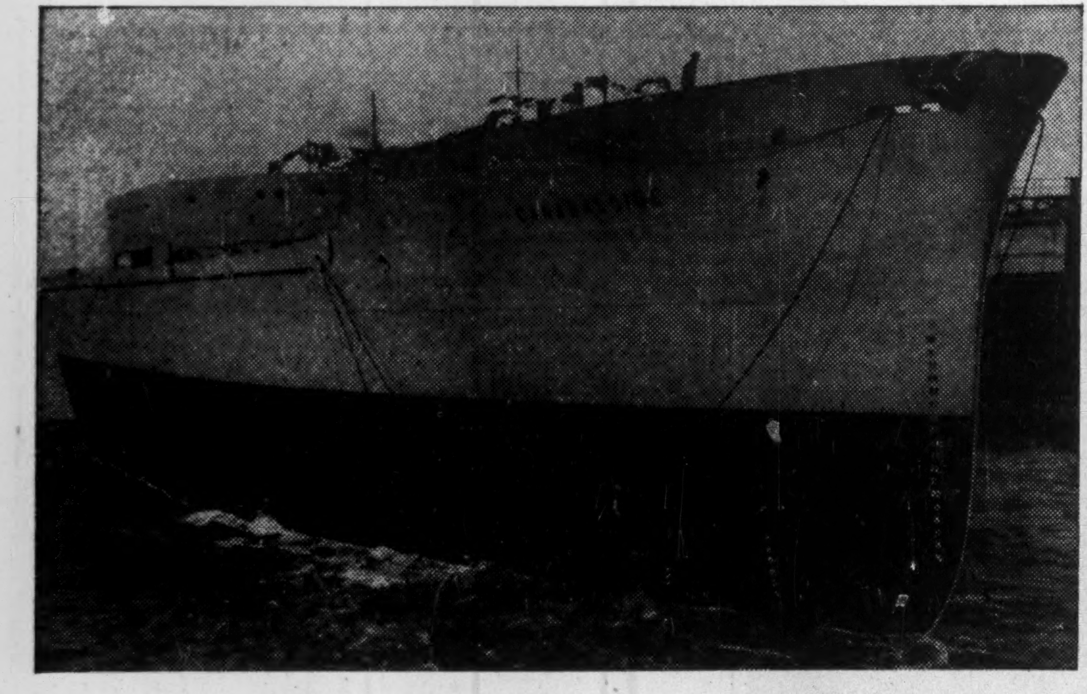
Crucibles, Moulds,
Carburizing Boxes and Pots.

DOMITE ALLOY IRONS

DOMINION WHEEL & FOUNDRIES LIMITED TORONTO

Chilled Tread Car Wheels
Foundry and General Engineering Work
Flanged Pipe and Fittings
Alloy Iron Castings

Plants: Toronto, Cobourg, St. Boniface, New Glasgow



Reconversion is the keynote in Canadian shipbuilding and this recently launched express liner of Canadian Vickers is an outstanding example of the trend. With a speed around 17 knots this is the first of four of a new type of 7,500 tonners being built for a Government-owned shipping line of Brazil.

Canada Ships Direct to S. America Seeks Equivalent Return Cargoes

One of the most interesting developments in Canada's transportation picture has been the entry of Canadian shipping companies into ocean-going trade. Before the war, practically all of Canadian trade abroad was handled by other countries' ships. But early this year the government opened a direct Canada-Brazil route with its Park ships. At that time it appeared to be a toss-up whether the Government would enter the shipping business but, subsequently, arrangements were made whereby shipping companies who wanted Park ships would operate them under a Canadian charter.

It was probably never the Government's intention to get into the shipping business if this could be avoided. Ottawa's primary interest apparently was to get Canadian ocean shipping on its feet.

New Firms Solidly Backed

These new Canadian companies are now well under way. But it is still too early to judge just how successfully they will be able to operate. One point in their favor is that practically all Canadian companies are subsidiaries of, or at least backed financially by, shippers who have been in the business for many years.

Most observers today think that Canadian shipping companies will need to employ all the business acumen they possess and maybe more if they are to compete successfully. Right now probably the greatest interest is centred on the Canada-South America trade, since this is the market for which government and exporters are gunning. But other routes such as South Africa, Australia, Orient are not being forgotten and are likely to claim the limelight once more when ships and goods become available.

Up to now all shipping companies in the South America trade are said to have been able to get full cargoes both ways but the present weakness appears to be in imports from the Latin American countries. It was recently announced that Saguenay Terminals landed the first direct shipment of coffee from Colombia at Montreal harbor. Cargoes such as this are encouraging signs ,since it means that other important products may also come direct rather than landing at New York for transshipment to Canada by rail.

Battle for Business

Many shippers, however, think that Canadian companies will have to go into the transshipping business, unloading at Atlantic ports such as Boston and New York and picking up new cargoes for Canada.

If this proves necessary it will mean that Canadian companies will be forced to compete with foreign shippers for the "in transit" business. And indications are that such competition will be stiff. It was recently announced that the British shipping industry is to have a fleet as large as pre-war, and as much larger as enterprise and initiative can make it. And U. S. shipowners' claims that higher wages will ease them out of the shipping picture would indicate that they are also lining up for the coming battle for business.

Right now Canadian and other companies have an advantage over U. S. shipowners in the matter of labor costs. Hourly wage for U. S. seamen is about $1.25 whereas the Canadian rate is approximately 90 cents. Other countries are lower than that again. Also in favor of the Canadian companies is the fact that Park ships purchased from the government were comparatively low in cost, averaging about $485,000 each, so that capital outlay has been much less than if new ships were put into service.

South American Opportunity?

Some observers of the South American scene say that west coast Canadian shipping companies are losing out on a considerable amount of business from west coast South American companies. One traveller from South America states that now is the time for Canada to break into this trade before shipping companies from other countries get back into stride.

If South American shipping should prove successful it is likely that other routes will be opened up with countries taking Canadian exports. Elder-Dempster is now operating a South American run and while return cargoes are fairly heavy right now it is likely that they will augment South Africa cargoes with "in transit" business.

In the passenger field Canadian Pacific is the largest Canadian operator and will open up its Australia route as soon as ships become available. On Atlantic runs this company is now using passenger-cargo boats but will likely resume service with the Empress boats next year.

Exports of Aluminum At High Peak in May

OTTAWA (Staff) — May export figures show a tremendous boom in export of aluminum ingots, following the recently announced low price contract with the United Kingdom.

For May alone, Canadian exports of aluminum ingot are 31% greater than for the four months period, January to April, inclusive. (388,558 cwt. against 296,375.)

Bulk of the May export went to three countries: Britain, India and United States. Exports to the first two totalled just over $1 million in each case; to the United States, almost $1¼ millions. Other countries which took big quantities were Czechoslovakia, Poland, France and the Netherlands. In all, some 23 countries received Canadian aluminum ingot in May.

Dollar value of aluminum ingot exports in May were quoted by the DBS as $5.8 millions. This brings the total value of ingot exports for the first five months to $10.3 millions. Average price of ingot exports, per cwt., dropped from approximately $15 in the first four months to $12.40 in May.

In addition to ingot exports, Canada in May exported an additional $500,000 of aluminum rods, sheets, utensils, wire and cable, scrap and other manufactured items. Total exports of aluminum in all its forms for the first five months are valued at $13 millions; $6.3 millions of which was exported in May.

Pan American Airways Circumvents Bottleneck

Although no settlement has yet been reached regarding 4th and 5th freedom rights to air lines other than B.O.A.C. operating out of Gander, Pan American Airways recently announced the beginning of a bi-weekly service under which it will pick up and land passengers in Newfoundland.

Pan American was able to circumvent the "Freedom" tangle by producing a 15-year agreement made with the United Kingdom Air Ministry in 1937 under which a bi-weekly passenger schedule is authorized.

It is understood that Pan American's right to operate under the 1937 agreement was strongly contested by opposing interests, it being held that the Chicago and Bermuda conference agreements had superseded it. British legal opinion, however, confirmed the position taken by Pan American that they may jump the gun in so far as traffic originating in Newfoundland is concerned. The fare from Gander to London is $215.

Bowater's Newfoundland Pulp & Paper Mills, Ltd., at Corner Brook, announce plans to install a new paper making machine, expected in operation by June, 1948. Total output is expected to exceed 300,000 tons a year. This new development will involve an expenditure of some $7 millions and will be responsible for the employment of an additional 1,000 men in the woods and at the mill. This expansion will be a welcome addition to Newfoundland's earning power, and is an encouraging indication of the company's belief in a steady market for paper products for some time to come.

Forest Fires Costly

Some of the country's best timber stands have been devastated by forest fires, said to be the worst on record, due to exceptionally dry weather. Destruction may assume the proportions of a national disaster.

Under a wartime arrangement, the British Government purchased the entire crop of Indian and Ceylon tea and directed that Newfoundland should be supplied out of Canada's allocation. Newfoundland has made a contract under tender for the purchase of its tea from Canada. The tea is packaged under a uniform label, and importation of any other brand is prohibited by law. Importers hope to resume importation of tea direct from Ceylon, whence normally 60% of its requirements came, at prices lower than the present blend. Recent advice from the United Kingdom indicates that Newfoundland must look to Canada for its tea requirements until 1948.

Canada's flour conservation program has caused some apprehension as to whether adequate supplies of this commodity will be forthcoming. While no fixed quota has been set for Newfoundland, the Canadian Trade Commissioner in St. John's has indicated that Newfoundland's prospects for sufficient supplies are good, and there is no cause for anxiety. Newfoundland law requires that only vitamin reinforced flour may be imported.

Frozen Fish for U. K.

An official of the United Kingdom Ministry of Food recently visited St. John's to make arrangements for the purchase of 7,750,000 pounds of frozen fish for Great Britain. In 1945 the United Kingdom purchased 19,000,000 pounds at higher prices than those offering for the present season. The reduction in English purchases from Newfoundland in favor of Iceland may be attributed to political expediency which led to British investments in Icelandic fishing enterprise during the war, with the object of rendering less painful the occupation of Iceland by allied troops. On the other hand, arrangements have been made for the sale of greater quantities of frozen fillets in the U. S. for redistribution to various foreign markets.

Newfoundland has entered into contract with UNRRA for 45 million pounds of herring at seven cents a pound U. S. funds, and 25 million pounds at 6 cents per pound U. S. funds. Estimated quantities packed and ready for shipment to date are 45 million lb. Most of this herring has been shipped direct to Poland and Czecho-Slovakia. Supplies of herring have been extremely good in most parts of the country, and if sufficient packages and ample supplies of salt are available, there is reasonable expectation that the full quota will be procured and sent forward. Standards of quality are high and inspection is strict, and it

(Continued on page 26)

DE LAVAL PROTECTION...

FOR 20 NEW VESSELS

THE turbines of the 20 new vessels of the Lloyd Brasiliero line will all be protected by De Laval Oil Purifiers. Centrifugal force will remove from the lubricating oil *both* of the impurities that cause trouble — *dirt* and *water*.

On board ship a centrifugal purifier is the only practical means of eliminating water from the lubricating oil . . . whether it is a relatively few drops of condensate or a sudden "slug" caused by a leak. The De Laval Oil Purifier, by continuously removing all moisture, insures that the formation of sludge will be minimized . . and sludge, more than any one other thing, is the cause of turbine lubricating oil deterioration.

Protection from dirt is equally positive. A De Laval machine of proper capacity, operated on continuous by-pass, will purify the oil in circulation three to four times daily, insuring against excessive bearing wear.

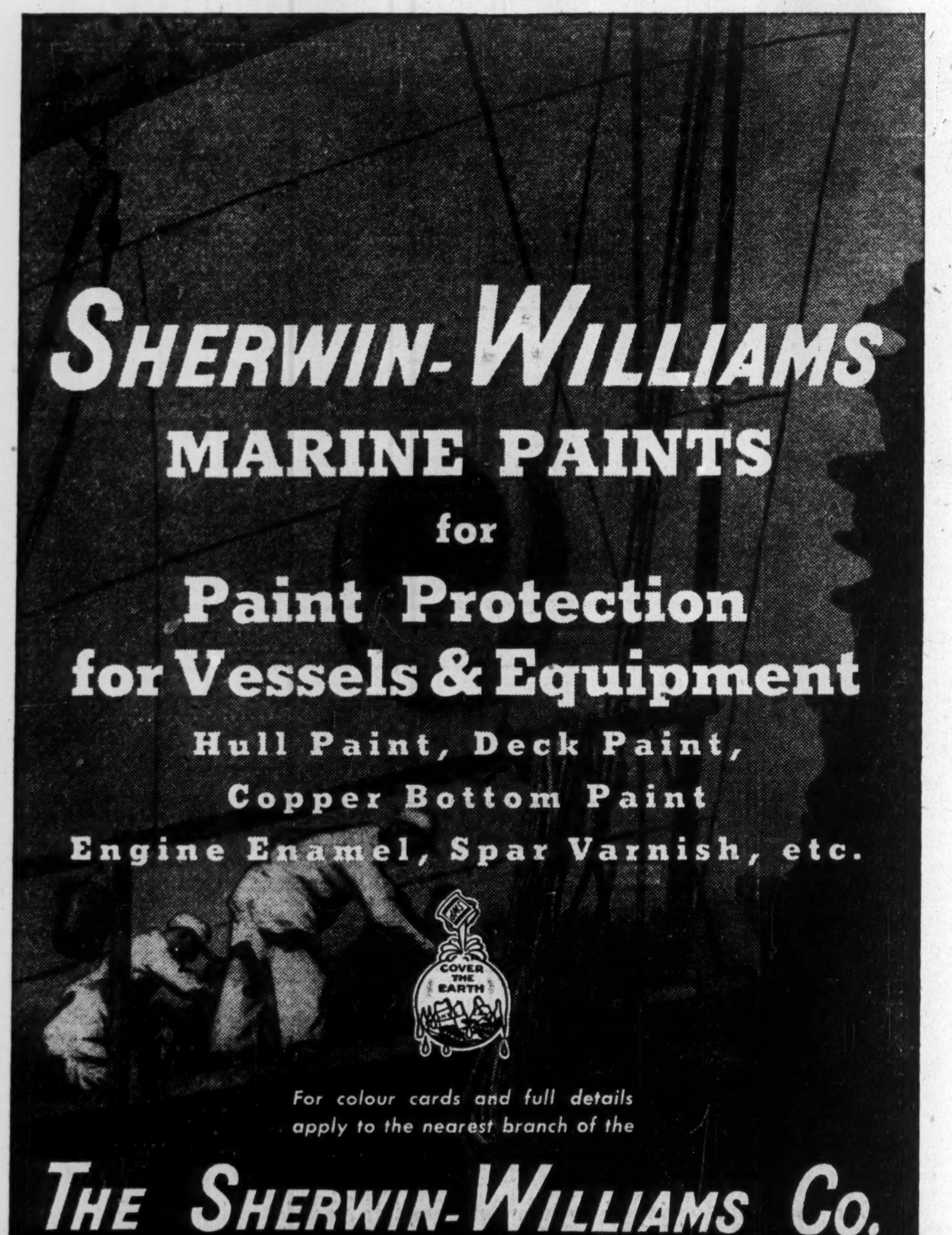
Write for details . . . mention the type of power uint.

DE LAVAL

LUBRICATING OIL PURIFIERS

THE DE LAVAL COMPANY, Limited

MONTREAL PETERBOROUGH WINNIPEG VANCOUVER



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THE SHERWIN-WILLIAMS Co.

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Head Office MONTREAL

Cloth gets Heat Treatment

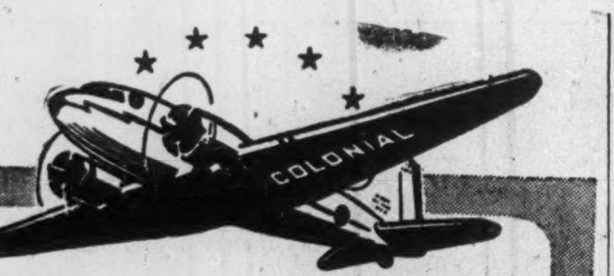
There is an eye-catching machine at the plant of Gibson's Cleaners Limited, 1315 Davenport Road in Toronto. It started off by being a contrivance that would stretch cloth. Now it has been given a "stripe" by converting itself into both a stretching *and drying* machine. To perform both operations at once saves considerable time and labor. All types of cloth going through the machine are uniformly well processed, with highly satisfactory results to both Gibson's Cleaners—and their customers.

We are proud that Gas is used during the process. Radiant ray is the colorful title applied to these important gas burners that do the drying. These burners are automatically controlled and the heat temperatures can be raised or lowered to suit the particular cloth that is being treated.

Every article of apparel you wear has, at some time during its manufacture, had a heat treatment. Ninety-nine times out of a hundred, GAS was used in that all-important process.

The CONSUMERS' GAS COMPANY

INDUSTRIAL DIVISION AD. 6941—124 RICHMOND STREET WEST



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Operators of fast inland Motor-Vessels every two days between New York and Montreal via Lake Champlain.

Subsidies or Air Mail Contracts Badly Needed If Canada's Feeder Lines Are to Pay Their Way

By RONALD A. KEITH
Editor, Canadian Aviation

The Air Transport Board is expected to sketch in a significant blank in the air map of Canada with its policy-making decision on feeder lines.

The vitally important northern bush route pattern has been traced to the Arctic Ocean and beyond, over a period of two decades of enterprise on wings. Then, starting in 1937, Trans-Canada Air Lines began to spread its 5,200-mile band of air communication linking the main population centres from coast to coast.

Experienced observers feel that feeder services cannot succeed without some form of assistance at least for the first few years. This assistance would take the form of either air mail contracts or direct government subsidy. The latter alternative has been legalized by an amendment to the Aeronautics Act, but most operators feel that this would be less desirable than provision of worthwhile air-mail contracts. It is anticipated that the forthcoming decision of the Air Transport Board on the first feeder test case, involving a service between Vancouver and Lethbridge, will establish what form of government assistance if any, will be afforded the secondary network of air services.

An example of the feeder line plane types being developed by the Canadian aviation industry today. Big problem has been to turn out planes of such economic performance as will make possible passenger rates in line with those charged by main lines. This de Havilland light transport carries a crew of two and eight passengers. With a cruising speed of 160 to 200 mph, this plane does six ton-miles-per-gallon.

Boosts Co-ordination

A strong argument for co-ordinating the air-mail setup with the broad air policy of Canada was made by W. B. Burchall, executive secretary, Air Industries and Transport Association in a speech to the Canadian Manufacturers' Association convention recently. His argument was for a clear-cut air policy was stated as follows:

"The concept of civil aviation as an entity under a single authority charged with fostering air commerce as a whole has never been attained in Canada. Air transport should be primarily the means to an end in a broad program of national industrial expansion and development. This it can never become if air mail is segregated from the whole and remains simply a convenient tool made to serve the particular interest of one government department."

To emphasize this argument, it is only necessary to glance at the record of the bush services in comparison with that of our National airline. While the northern air operators were required to bid competitively for mail contracts into the mining areas and fur trade outposts, Trans-Canada Air Lines was handed a highly profitable mail contract which was of substantial assistance. In 1939, for example, some of the bush operators were carrying mail for a fraction of a cent per mile. They were operating into remote areas where costs were sky-high. Furthermore they were providing an essential service not duplicated by surface transportation. Meantime, Trans-Canada was receiving 60c. per mile for carrying the mail between the main cities where air-mail service was not essential.

Stresses Air Mail

Mr. Burchall advances the following argument for using air mail to foster new services as was done in the United States and here in the case of Trans-Canada Air Lines:

"Today municipalities throughout the Dominion are looking forward to establishment of feeder lines whereby intercity passenger travel and air mail will be expedited. Government officials, also, have expressed their interest in the expansion of air services, yet feeder lines, of which there was so much talk 12 months ago have failed to materialize. The main reason for this is that air mail, instead of being looked on and treated as an essential part of our public service and an integral factor in our over-all program of civil aviation development, has today become detached from the major scheme and now serves the particular interests of one government department.

"A definite aviation policy is essential if all the air services of this Dominion are to be developed. To be economically successful, airlines must be assured of all the revenue from mail, passengers and express in the area which they serve. The alternative is financial assistance in the form of a direct subsidy, and direct subsidies are undesirable. Assistance through the granting of an air-mail contract possesses the advantage that the contract can be given for a definite period, to be subsequently cancelled or revised.

"At present, the granting of air-mail contracts and the fixing of the rate of payment for carriage of air mail are the prerogatives of the Post Office Department and the rate set bears no direct relation to the economics of the situation. The Post Office may decline to utilize a projected air service even though the Air Transport Board may be prepared to license the service for passengers and goods. It is obvious that with such division of authority, the best interests of air transport cannot be served."

The Post Office Department, of course, has never subscribed to the view its air-mail services should be required to foster aviation development. Logically enough, the main interest of that department is to provide an efficient service and show a profit if possible. There is a strong and growing opinion in aviation circles, however, that a co-ordinated air program, incorporating air mail, is essential to the best interests of the nation.

COMPANY REPORTS

INTERNATIONAL COAL & COKE CO. 1945 retained net profit was off 31.2%. Production was slightly lower than for the previous year as the mine was idle for three weeks owing to a strike.

Labor shortage became more acute during the year. Labor turnover increased and absenteeism became more prevalent. Driving of the main rock tunnel was resumed, and at year end the tunnel had reached a point 9,903 ft. from the entrance.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$181,868	$247,280
Less: Depreciation	43,379	43,434
Depletion	39,968	42,596
Income taxes▲	39,718	75,788
Net profit‡	58,803	85,462
Less: Dividends	90,000	90,000
Deficit for year	31,197	4,538
▲Incl. refund. EPT	......	3,586

‡Note:—Co.'s report includes refundable EPT in net profit and deficit for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.020	$0.028
Incl. ref. EPT	0.020	0.0296
Paid	0.03	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$463,648	$343,910
Investments*	535,801	663,613
Accts. rec.	142,386	168,204
Inventories	10,045	12,988
Total curr. assets	1,151,880	1,188,715
Invest. in subsids.	43,128	43,128
Misc. assets▲	68,954	53,901
Fixed assets	4,388,021	4,351,487
Total assets	5,651,983	5,637,231
Accts. & tax. pay.	33,074	70,047
Other curr. liab.	42,641	53,508
Total curr. liab.	75,715	123,555
Uncl. divs. pred. co.	2,755	2,667
Reserves	2,032,619	1,949,272
Capital stock	3,000,000	3,000,000
Capital surplus	270,000	270,000
Earned surplus▲	270,894	291,737
*Market value	542,825	669,475
▲Incl. refund. EPT	3,507	3,586
Working capital	1,076,165	1,065,160

C. W. LINDSAY & CO. net profit for the year ended Feb. 28, 1946, was up 84%; an increase in sales largely responsible. Despite short supply of furniture, sales in all departments have continued to increase. Supply of radios and electrical appliances has improved somewhat, and it is hoped the present year will see a further amelioration with an increased benefit in terms of profit to the company, President Thos. L. Redfern states.

INCOME ACCOUNT

Years Ended Feb. 28:	1946	1945
Net earnings	$124,448	$96,192
Less: Bond int.	18,000	18,000
Deprec. res.	14,774	14,361
Taxes	36,700	33,967
Net profit & surplus	54,974	29,864
Less: Pref. divd.	17,648	......
Surplus for year	37,326	29,864
Times Bond Interest Earned:		
Before deprec.	6.91	5.34
After deprec.	6.09	4.55
Earnings per Share and Dividend Record:		
Pref.: Earned	$12.46	$6.77
Paid	4.00	....
Com.: Earned	0.80	0.036
None paid.		

CONDENSED BALANCE SHEET

As at Feb. 28:	1946	1945
Cash	$6,100	$42,750
Accts. rec.	192,891	215,279
Investments▲	503,937	404,117
Inventories	395,048	371,040
Total curr. assets	1,097,976	1,033,186
Deferred chgs., etc.	144,205	114,569
Fixed assets*	797,205	805,852
Total assets	2,039,386	1,953,607
Total curr. liab.	126,344	76,799
Unearned fin. chgs.	3,880	4,972
Funded debt	300,000	300,000
Capital stock	1,270,334	1,270,334
Surplus	338,828	301,502
▲Market value	525,625	400,695
*After deprec. of	259,212	244,963
Working capital	971,632	956,387

DOMINION RUBBER CO. tire division announces that products will be distributed in Saskatchewan by Bowman Brothers Ltd., Saskatoon; in Alberta by Motor Car Supply Co., Calgary; in British Columbia by Mackenzie White & Dunsmuir Ltd., Vancouver. More intensive coverage of these areas is expected to result from this move.

Steering the Seven Seas with
DONKIN

Many factors govern the selection of the best steering gear . . . efficiency, economy, safety factors . . . and most important of all experience. The solution of your problems will be found in one of the many types of steering gear evolved by Donkin & Co. Ltd. and in use on many hundreds of ships of all tonnages now ploughing the seven seas.

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Bendix introduced the four-wheel brake to America. Bendix* has led the way in the advancement of vacuum, hydraulic, and air brakes. Bendix is the recognized leader in the growing field of power braking. In short Bendix long ago won its right to be called Brake Headquarters — a position that has been strengthened every year. The advanced thinking and fine products which won this leadership are available here through Bendix-Eclipse of Canada.

In passenger cars Bendix hydraulic brakes are standard for the industry in performance, economy and trouble-free operation.

Hydrovac* — vacuum — hydraulic power braking—is everywhere acknowledged the foremost answer to power-braking for trucks.

Bendix - Westinghouse* Automotive Air Brakes stop more buses than any other kind of brakes—leadership won by performance over billions and billions of miles.

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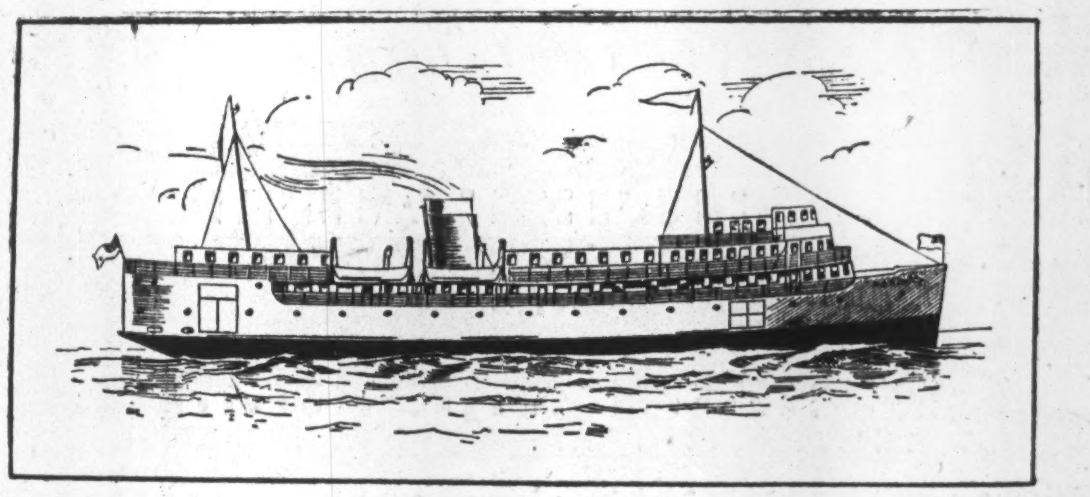
Port Arthur, Ont.

MIDLAND SHIPYARDS Ltd.
Midland, Ont.

THE COLLINGWOOD SHIPYARDS Ltd.
Collingwood, Ont.

CAN. SHIPBUILDING & ENGINEERING Ltd.
Kingston, Ont.

The above Ontario Shipyards assist shipowners to carry on post war shipping on the Great Lakes.



The first post war contract in the Canadian Great Lakes Yards is the above vessel S.S. "NORISLE" for the Owen Sound Transportation Company, Limited, operating between Tobermory and Manitoulin Island. This ship has accommodation for 50 automobiles and 250 passengers and sleeping accommodation for 100 overnight passengers.

Products of these yards are Bulk Freighters, Tankers, Passenger Ships, Suction Dredges, etc.; Pulp and Paper Machinery; Pascol Heating Boilers and Millwork of all descriptions.

The Company also has four large Dry Docks located at strategic points on the Canadian side of the Great Lakes.

Our Yards are equipped to turn out complete vessels, including engines, and boilers, auxiliary machinery, shafting, propellers, all forgings, piping, electrical gear, sheet metal, joiner work, etc.

Airlines Tempt Customers with New Low Rates While Adding Steadily to Speed, Luxury Aloft

Helicopters, so far mainly restricted to private operation may soon be tied in with public transport. Above is a helicopter used by Hans Lundberg, prominent geophysicist, in gealogical survey work. Mr. Lundberg has been able to utilize certain of his equipment for investigating properties while still aloft in the helicopter.

In the coming battle for transportation business the newest and probably most unpredictable contenders are the airlines. This dark horse showed astonishing new pace and power in wartime, but just what position it will occupy in the transportation race is by no means clear. One thing certain, however, is that air transportation today is making a strong bid for passenger, express and mail carrying business.

Speed is, of course, the prize package which airlines offer, speed plus luxury and service for passengers.

But even in the matter of rates, the airlines are gradually creeping into a stronger competitive position with the train and bus.

How much of the transportation dollar will eventually go to airlines is hard to say, but for the present it appears that they will make their biggest inroads in the passenger and express field. While no one rules out entirely the future possibility of super cargo planes, that day is still far enough off to leave railroads little concerned and air transport companies are concentrating on those fields where they can do the best job.

Biggest part of Canada's airline business today comes from passenger traffic, with mail carrying a close second. In 1945 gross passenger revenue of TCA, Canada's biggest air carrier, was $5,462,939, with mail revenue totalling $4,250,939. While this revenue came from 183,121 passengers, TCA officials apparently consider this small potatoes, since it is planned to increase route mileage this year by at least 67%.

In addition the company is increasing the number of its planes by 12 new DC4M's and 18 new BC3's. (DC4M is the Canadian version of the DC-6 being built by Canadair, which TCA president, H. J. Symington hopes are successful, because if they aren't says he will have to "jump in the ocean.") These new planes will mean an estimated increase of 748 in passenger seating capacity.

How Many Passengers?

Big question now is, will TCA be able to fill its planes? On last year's passenger business, planes averaged 84% of capacity, but with more equipment it is possible that percentage will drop this year. As Mr. Symington stated in the annual report: "It may be that until patronage of these new services is built up over the next few years the company will experience a diffictlt financial period."

To increase passenger volume, airlines aim at two things: (1) rates which are comparable to surface carriers and (2) service to offset the conveniences of train and bus. From a rate standpoint airlines now are getting fairly close to their competitors. In Canada, Mr. Symington states, the average passenger rate on TCA is 5.15 cents per mile, which is about two or three cents per mile more than surface carriers. Allowing for exchange, U. S. fares average 5.37 cents a mile, according to Mr. Symington. In the rate race TCA has introduced the travel card which gives the holder a lower rate and, in addition gives a reduction on return fares which is not common practice on U. S. lines, it is stated.

Besides rates, however, airlines must compete with the roominess of trains and the convenience of buses. To do this they offer the traveller free reading material, free hot meals. Also, to encourage family travel, a trained nurse acts as hostess and is qualified to prepare infant's food or help parents look after them. For example, TCA's new planes include a new type galley which makes it possible to serve better meals, also heated food compartments and space for vacuum bottles. New planes are also lined with sound-proofing material to reduce engine noise, long a source of complaint from passengers.

Speed vs Luxury

In United States, air experts say, competition between airlines is likely to be on a basis of speed vs. luxury. One line will offer big planes with luxurious accommodation while another will sell speed. In Canada, where TCA competes with several U. S. lines for Canada-U. S. business and also west-coast-to-central-Canada trade, TCA appears to be trying to strike a happy medium. Its new DC4M will have a cruising speed of about 280 m.p.h., which is in the higher speed brackets, but will also incorporate some of the luxury accommodation.

In Canada the future of air transport appears to lie pretty much in the hands of Government-owned Trans-Canada Air Lines. For a while, prior to the war, it looked as if air transport would advance according to the U. S. pattern, where several airlines mushroomed all across the country. Canadian Pacific Air Lines, Canada's biggest private operator, took over several western and northern routes which served the so-called "bush" area. Since then, however, the Government has ordered all surface carriers to divest themselves of air transport business. While this divesting order was to have taken effect in May of this year, the Government has apparently decided not to implement the order and CPA has at least another year of life.

Just where the Government air policy will land Canada's airlines no one yet seems to know, and it is stated by those close to government sources that a definite domestic air policy has not yet crystallized. As the situation now stands airlines such as Canadian Pacific, Maritime Central and others provide feeder service for TCA. At only one point—Vancouver to Victoria—do private companies compete with TCA.

Whether TCA's monopoly on the main domestic airlines will be to the benefit of airline passengers remains to be seen and arguments have been advanced pro and con. It appears that the two important considerations underlying government policy are: (1) avoidance of repetition of duplicate services such as occurred with the railroads, and (2) adherence to the "chosen instrument" policy.

Regulation Necessary

Most observers are agreed that in Canada with its vast areas of sparse population, some type of regulation is necessary. Also, since TCA competes with foreign air carriers in the transoceanic business it is altogether likely that policy makers do not want to see its financial position undermined by unlimited competition at home. It is also pointed out that the divesting order applies also to the Canadian National Railways which controls TCA and this means that TCA will be a separate government-backed company.

One of the big questions arising out of the Government's divesting order is, who will take over CPA? Some observers think that unless a satisfactory answer can be found CPA will be allowed to carry on. It is considered signficant by some that Reconstruction Minister Howe, in replying to Sessional Committeemen's questions regarding the divesting order dd not elaborate on this point.

In the meantime CPA is avoiding the limelight and improving its present services. This year it is adding new Lockheed planes to its air fleet. Serving the northern mining areas, CPA is far ahead of TCA in air express and freight. Last year CPA is said to have carried some nine million pounds of express, while TCA carried just under a million. CPA's air express business points up a field where airlines are likely to make some gains from surface carriers. Medical and food supplies, and machinery parts are items which are likely to fall to speedier air carriers.

It is stated that several automobile manufacturers have already resorted to shipment of parts by air in an effort to keep production rolling during present shortages. Also, sudden changes in specifications and errors in calculating needs are said to be commonplace enough in normal operations to warrant use of air transport. In Canada the mining industry is probably the greatest industrial user of air express. The food industry, particularly in the branch of highly perishable produce and seafood, is turning increasingly to air express.

Plane Express Traffic Is High

Typical of increasing airmindedness in United States express traffic (a situation believed reflected in Canada also), The Air Express Division of Railway Express reports that air express shipments handled at New York City during May, toppled all previous records for the year, totalling 95,059, a gain of 60.4% over the same month of 1945. Increases have been shown every month since January. Gross revenue climbed slowly, however. The first two months of 1946 showed losses of 5.6% and 14% and March just finished on the plus side of even. April showed the first gross revenue increase of the year, 22% while May netted $393,909, a gain of 11.9%.

The disparity between shipments and revenue is attributed to drastic rate reductions ranging up to 13% on Jan. 1, and return of commercial shippers with lighter packages with consequent loss in revenue, compared to heavier war shipments handled during the closing stages of the war.

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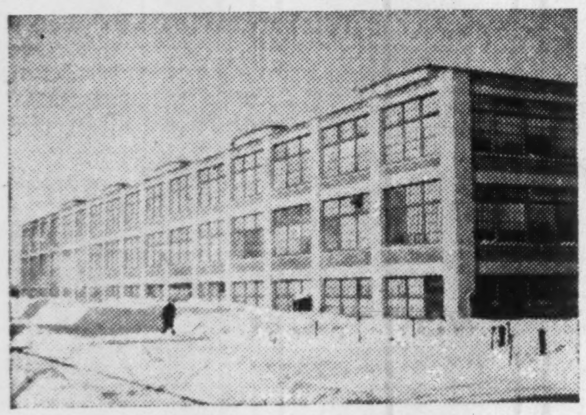

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Importance of Motor Boats to Transportation Boosted Through Mass Production Methods

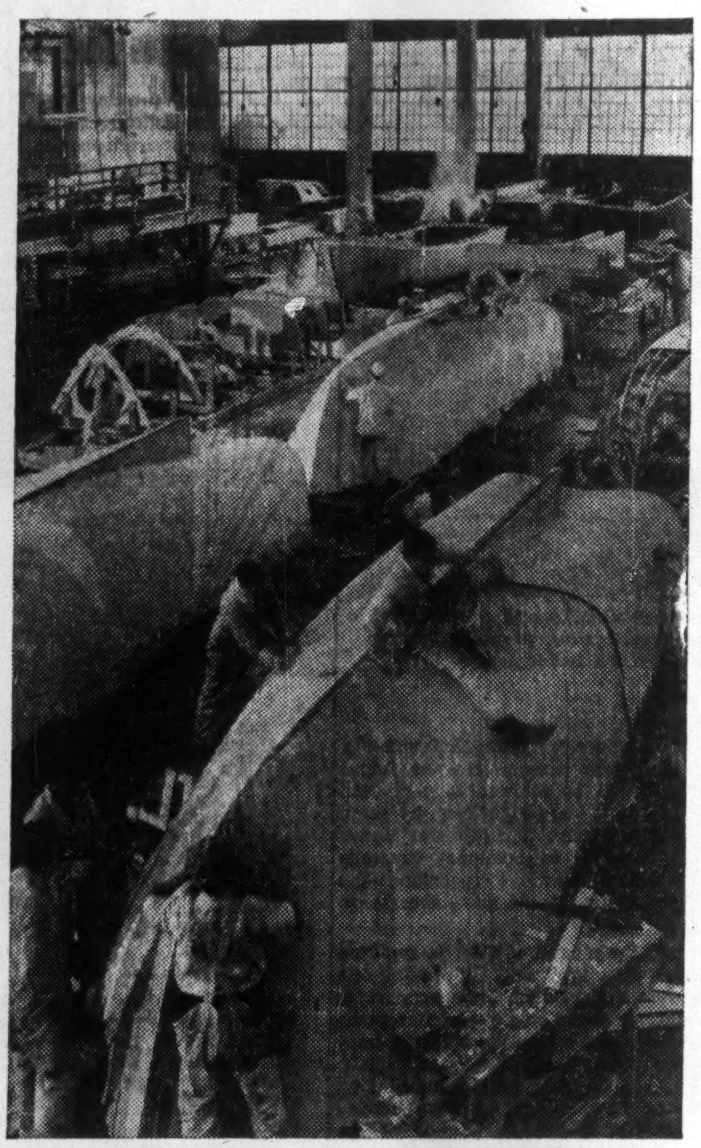
Sometimes overlooked in the transportation field is the important part played by the motor boat. Dwarfed by the big passenger liners and freighters, and less spectacular than the hard-working tugs, motor launches nevertheless play an important part both as an aid to shipping and in water transport. These are the dispatch riders of the world's ports, carrying ship's officers to and from docks, delivering light supplies, besides doing their share of towing duties.

In Canada, motor boats also are a necessity in the northern lakes, carrying miners, loggers, prospectors to areas not served by other transport. The summer cottager looks forward to fishing or pleasure riding in his power boat. On the east and west coasts, as well, these small craft are an indispensable part of the fisherman's equipment.

The type of work which motorcraft are called to do has largely determined design and construction. Speed and power are, of course, the two important factors. In harbor work, for example, where they are used as tenders, both characteristics are essential. In carrying supplies to liners or freighters which must clear at a certain time boats which can make the most trips per hour will make the most money for their owners. Power is also necessary to pull heavy loads such as fresh-water tenders.

'30's Were Boom Years

Probably the greatest strides in power boat construction and design occurred in the 1930's, the speed boat racing era. This was the time when such names as Gar Wood, Kay Don, Scott-Paine and Seagrave were making the sports page headlines. But besides providing thrills for spectators boat racers did much to improve the construction and design of both boats and engines. Flaws which would not likely show up in everyday use became major troubles under the high speeds.



Power boat builders apply some aeroplane building techniques to turn out boats faster and cheaper. Mass production, as shown here, is likely to benefit commercial users as well as individual owners.

But design and construction, while important considerations, still leave the question of cost unanswered. Boat building generally has been an expensive proposition, chiefly because practically every vessel is a custom-built job. This high cost factor becomes more important in the case of the smaller motor boats and launches. To most buyers of this type of craft, initial cost is probably more important than to the bigger shipping companies. In Canada, much of the harbor tender business is done by small companies with small capital; other users, such as fishermen, miners, etc., have in many cases turned to outboards as a cheaper substitute for the speedier and more powerful motor boats. Also, the market for private luxury power boat owners is decidedly restricted because of the high cost product.

Mass Production Here

Today, however, there is evidence here and there that a new era for small boat construction is approaching—the era of mass production. As with cars, a mass-produced boat costs much less, but car production methods are not particularly suited to boat building. Instead, boat manufacturers have taken a leaf from the aircraft production book. Typical of this new trend are boats of three types now being turned out by Canadian Power Boat Co.: marine station wagon; harbor launch; cruisers. Construction is on assembly line method, by which boat is built by stages. Stage one, the keel and ribs are assembled. Boat then passes to stage two, where sheets are put on. It continues on through successive stages of sanding, painting and trimming.

Just what mass production means to price is indicated by the fact that a Canadian Power Boat spokesman states a comparable U.S.-made boat sells there for about 80% more than the Canadian one. Even now with the price for these 24 ft. harbor launches and station wagons around the $3,000 to $3,500 mark, a wider market has been created. Still in the luxury class is the $19,000 cruiser which has accommodation for six persons and a ship's helper. But while the market for this type may be limited in Canada, manufacturers say the bigger U. S. and West Indian market holds great promise.

Sell to South America

Recently Canadian Power Boat announced shipment of 11 Canadian mass-produced "Sea Beaver" (harbor launch) to Cia Commercio Induco S.A., Brazil, and La Plantense, Argentina. At present the company is excluded from the sterling bloc countries, which includes the West Indian market. While it hopes eventually to tap this market, it is understood plans are being laid to sell the potential home market with a smaller, cheaper boat.

But while mass-production means that pleasure boats may soon be within reach of the slightly-better-than-average-income individual, it also foreshadows a better day for the commercial user. Fishermen who now pay more than $1,000 for a small 14-footer may be able to get bigger, faster boats for only slightly more or be able to buy two 14-footers. For the northern lumberman, miner or prospector whose boat is as essential to business as the commercial traveller's car, cheaper power boats will be a boon. Harbor workers can either increase the number of boats in service or replace worn-out models more frequently. Cost of boats for life-saving services, both military and civilian, is also indicated by the new boat-building methods.

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Huge Peacetime Program of Road Construction Coincides with Major Advance in Job Methods

Peace Year I finds every Canadian province and almost all municipalities with a record backlog of road and street construction and repair, ranging from transprovincial superhighways to the perennial mudhole on the tenth concession.

The backlog, already great when the nation was groping its way back to economic normalcy in the late 1930's, has since been swelled to billion dollar proportions by wartime diversion of money, manpower and materials. And at the now indicated pace of postwar construction, it may well be cleaned up in three or four years.

Canada's road and street building program this year apparently will far exceed those of recent years.

Contract awards in the first five months—not including Ontario's $5 millions Toronto-Barrie divided highway—totalled $11.9 millions, an average $2.3 millions a month ($3.4 millions or $0.6 million a month average January to May 1945), according to MacLean Building Reports Ltd.

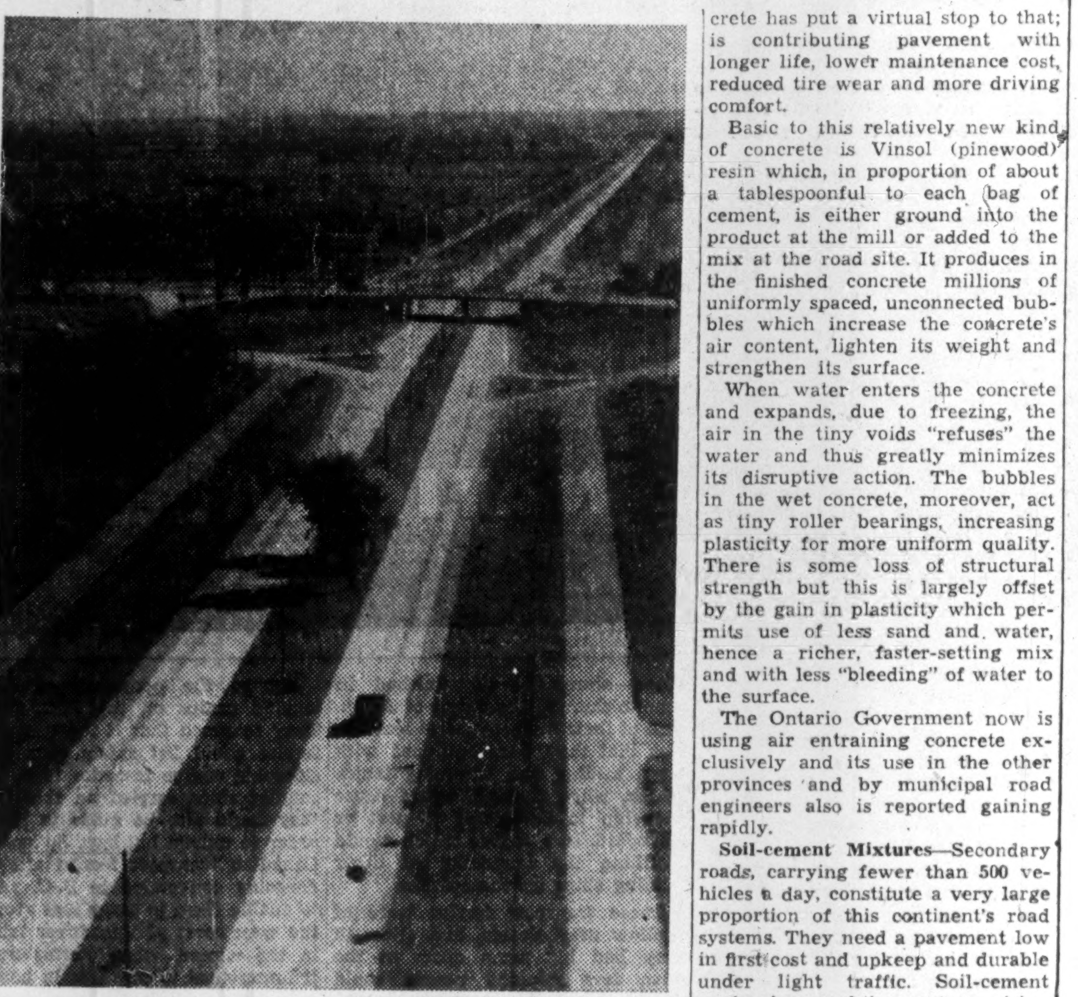
Some authoritative forecasts have it that this year's total outlay on roads, streets and bridges, including repairs and maintenance, may be not far off $100 millions and may come near a new record.

Better Roads

By rare good fortune, important technical advances coincide with this new era in road building—new aids to better, cheaper roads for the millions become available at the precise moment when bulldozer and paving crews go back to work. Highway engineers are predicting that nowhere so much as in road-building, will new construction techniques reduce costs and improve function in the next few years.

Their optimism in this regard appears well founded. Canadian highway technicians in most provinces are matching in better roads or road building practice the improvements in buses, trucks and automobiles promised by their automotive industry colleagues.

Not since Dobbin first shied at the horseless carriage has so much attention been paid to research in grading and paving as in the 1940's, first for military roads and airports, now for better, cheaper commercial, tourist and general travel.



Ontario has resumed construction of her boulevard-divided superhighway system with recent start on grading and structures for the proposed 45 mile, $5 millions Toronto-Barrie link toward the Muskoka summer playground. It will look something like this, the Queen Elizabeth Way.

And it is research which is paying off handsomely and undoubtedly will pay off more handsomely still in the future. Entirely new principles, standards and methods now are being worked out in the long-established fields of concrete and bituminous paving, in surface and subgrade stabilization with "binder" materials, and in "soil mechanics" for better road foundations and drainage.

Here are just a few examples of recent research results in road building and maintenance:

"Air Entraining" Concrete—Canadian weather, always a stiff test for any kind of pavement, has lost its power over concrete. Alternate freezing and thawing every winter dug big chunks out of concrete surfaces, a trouble known to engineers as "spalling." Air entraining concrete has put a virtual stop to that; is contributing pavement with longer life, lower maintenance cost, reduced tire wear and more driving comfort.

Basic to this relatively new kind of concrete is Vinsol (pinewood) resin which, in proportion of about a tablespoonful to each bag of cement, is either ground into the product at the mill or added to the mix at the road site. It produces in the finished concrete millions of uniformly spaced, unconnected bubbles which increase the concrete's air content, lighten its weight and strengthen its surface.

When water enters the concrete and expands, due to freezing, the air in the tiny voids "refuses" the water and thus greatly minimizes its disruptive action. The bubbles in the wet concrete, moreover, act as tiny roller bearings, increasing plasticity for more uniform quality. There is some loss of structural strength but this is largely offset by the gain in plasticity which permits use of less sand and water, hence a richer, faster-setting mix and with less "bleeding" of water to the surface.

The Ontario Government now is using air entraining concrete exclusively and its use in the other provinces and by municipal road engineers also is reported gaining rapidly.

Soil-cement Mixtures—Secondary roads, carrying fewer than 500 vehicles a day, constitute a very large proportion of this continent's road systems. They need a pavement low in first cost and upkeep and durable under light traffic. Soil-cement paving is one of the most promising of the newer techniques to fill that need.

Very briefly, soil-cement mixtures consist of the natural soils available on the road allowance, thoroughly mixed in place with water and cement in gradual and carefully controlled doses, then compacted and rolled smooth. Mixing is done with ordinary farm implements—harrows, plows, rototillers. Compacting and finishing are done with ordinary construction machinery—sheepsfoot rollers, rubber-tired rollers, tandem steel rollers and blade graders.

Reported still in good condition is the first experimental stretch of such paving, built in South Carolina 13 years ago. Now more than 40 million square yards are in use in United States, Alaska and Canada, with Canada's examples mostly on airports, such as at Seven Islands, Que., and Camp Borden, Ont.

Mentioned in the foregoing are only two of several notable instances of sharp advance in concrete paving technique. Solution of problems encountered in building airport runways for ever-increasing loads has brought important new knowledge to road building. As one result, rigid type pavements are being built of comparatively short slabs with light steel mesh reinforcement and with properly spaced joints, structurally strong and properly sealed; they bear little resemblance to those built 20 years ago which now in many cases, are reduced to the condition of a rickety flagstone walk.

Asphalt Also Progresses

Asphalt technologists have not been idly watching the progress of their competitors in concrete. Here are just a few examples of important new developments in asphalt road building and maintenance technique:

Asphalt Prime Treatment—Priming asphalt is sprayed as a dust-layer on gravel or earth roads. It provides a mat which long outlasts any oil-sprayed surface and which is called a satisfactory substitute for pavement on secondary roads.

Raising Sagging Concrete—Pumping of hot asphalt through holes drilled in failing concrete pavement, seals cracks and joints from underneath, lifts depressed sections as much as two or three inches, ends flow of water and foundation material up through cracks and joints as a result of the pumping action of traffic. This "subsealing" method is gaining rapidly in acceptance as a necessary treatment before resurfacing old concrete highways.

Prefabricated Bituminous Surface—Peacetime use of "PBS" still is a big question mark. Some engineers consider it has distinct possibilities for temporary and work roads on unstable ground or in remote regions. Made of asphalt-impregnated burlap in 100-yd. rolls, PBS was produced as an alternative to pierced steel plank for surfacing advanced airfields where light weight and construction speed were essential.

Huge Program Launched

Award by the B. C. Government this month of a $600,000 contract for about 24 miles of road between Princeton and Hedley is only one of many large contracts in Canada's postwar revival of highway building.

Following is an outline of the mileages of major construction work started or planned for this year by several of the provinces:

Alberta — Asphalt paving 110 miles; surface treating 30; gravelling 250; grading or regrading 500 miles.

Saskatchewan — Asphalt paving 119 miles; gravelling 1,121; grading or regrading 853 miles.

Manitoba — Asphalt paving 50 miles; concrete 2; gravelling 35 miles.

Ontario—(awards this year to date)—Grading Toronto-Barrie divided highway 45.5, Red Lake road, 81, other 20; concrete Oshawa-Highland Creek 18.3; hot mix bituminous on old pavement 137 and on gravel 193; road mix mulch 107; bridges 20, including structures on Toronto-Barrie divided highway. Additional grading to be let includes Matheson East 25 miles.

New Brunswick — Asphaltic concrete 69 miles; grading and gravelling 75 miles.

Prince Edward Is.—Grading and gravelling 40 miles.

Nova Scotia—Asphalt 15 miles; grading 200 miles.

An overwhelmingly large proportion of existing road mileage in Canada is of the ordinary narrow two-lane type, with only very short and infrequent stretches of three and four-lane. Again, only the fringe of the needed paving program has been touched, as witness the huge proportion of unpaved and even unimproved roads in the various provincial systems. Here are the figures, province by province:

British Columbia—Cleared 2,539 miles; earth, sand or gravel 9,837; gravel or waterbound macadam 7,770; concrete 7½; asphaltic concrete 14½; bituminous penetration macadam 19½; bituminous mulch 583; bituminous sprayed 557; other 42; total 21,370 of which only 625 paved or bituminous surfaced.

Alberta—Earth 790; graded 288; gravelled 2,733; surface treated 393; asphalt paved 138.

Saskatchewan — Earth 3,357; gravel 5,687; bituminous surface 132.

Manitoba — Graded only 5; gravelled 1,306; bituminous surface 464; concrete 9 (plus municipal roads, earth 2,176; graded 8,174; gravelled 6,987; bituminous 30; concrete 28).

Ontario—King's Highways, provincial system, concrete 1,772.6; bituminous 1,705; bituminous surface 925; gravel and crushed stone 3,241; total King's Highways 7,644.3 miles. Secondary roads, bituminous surface 107.8; gravel and crushed stone 2,729.6; total secondary 2,837.3. County roads, concrete 255.8; bituminous pavement 382.7; bituminous surface 2,035.7; gravel and crushed stone 5,772; earth 114; total county 8,560. Organized townships, concrete 62.2; bituminous pavement 123; bituminous surface 306.6; gravel and crushed stone 34,662.7; earth 12,775.7; total organized townships 47,930. Development, unorganized townships and mining roads, gravel and crushed stone 3,008.6; earth 2,978; total 5,986.6. Total mileage all jurisdictions except cities and separated towns 72,958.5.

Quebec—Gravel 18,606; bituminous on gravel 365; bituminous on macadam 609; bituminous concrete 3,025; bituminous macadam 151; concrete 314; bituminous concrete and cement concrete (dual pavement) 18; total length improved 23,068; earth 16,590; three-lane 50 miles; dual 25 miles.

New Brunswick — Asphalt paved 977; gravel 10,351; earth 984.

Prince Edward Is.—Earth 3,062; gravel 425; asphalt paved 205; concrete 4.

Nova Scotia—Earth 8,114; gravel 5,997; asphalt paved 935; concrete 7.

TRAVEL DAYS
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"It's nice TO SLEEP ON A TRAIN AGAIN!"

. . . to enjoy luxurious comfort in the privacy of your air-conditioned room. You can do it now by Canadian National. For short or long trips, by day or night, in coach or sleeper, you'll appreciate the pleasure and relaxation of your journey by train.

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Itinerary? Reservations? Tickets? Information about places to go? Your local Canadian National ticket office can do a lot to make your trip a joy from the start. Wherever you plan to go, drop in and talk things over with Canadian National.

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TO EVERYWHERE IN CANADA

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GOLD CUP
ARMORIZED

DUNLOP
ARMORIZED
TIRES

FOR GREATER STRENGTH AND LONGER LIFE

The protective principle of armor . . . the smooth-riding resilience of rubber . . . that's the extra value you get when you specify Dunlop *Armorized* Tires.

For Dunlop *Armorized* Tires give you extra protection at every point of wear. They are built with special cooler-running compounds to resist heat . . . specially toughened tread stock to resist shocks, cuts, wear and tear . . . and made more rugged with special abrasion-resisting sidewall compounds.

DUNLOP "90"
ARMORIZED TIRES

Now in peacetime production the famous Dunlop "90" *Armorized* Tire, the finest broken tread design ever made, combines with its popular companion Tire, Dunlop "Gold Cup", to give you the best tire value available.

Ask your nearest Dunlop Dealer now about Dunlop Armorized *Tires with the famous Cable Cord Construction . . . the latest achievement of the world's longest tire-building experience.*

146

DUNLOP-CANADA
MAKERS OF THE WORLD'S FINEST TIRES

ALWAYS
AT YOUR
SERVICE

The Grew 23 foot Runabout
Built in two models — with or without sedan top

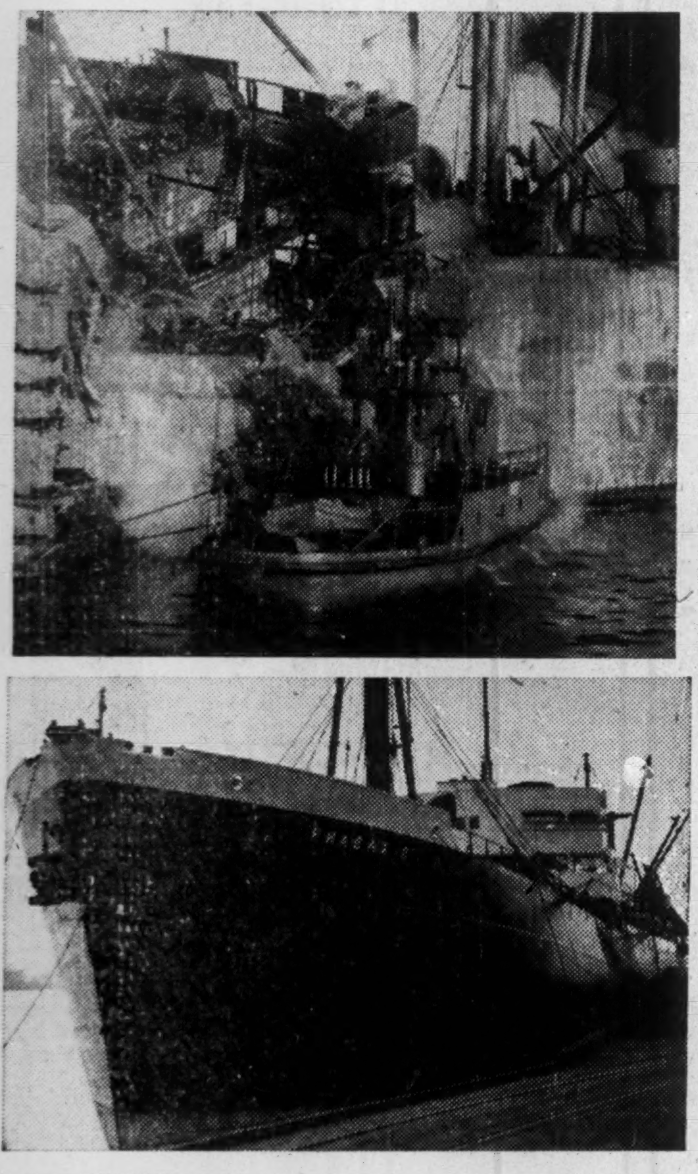
We can still offer delivery of a **very limited number** of these unusually fine boats for this summer. Orders will be filled in the order in which they are received by us.

GREW 23 footers offer you the **Luxury** of genuine leather **upholstery**, beautiful Honduras Mahogany topsides and decks finished with the finest of marine varnish. They are **big boats**, built for comfort and safety — yet they have a speed of over 28 miles per hour — real miles per hour over a measured course. They are economical boats to own and operate, because with reasonable care they will still be good, smart boats for many years in the future.

We recommend the GREW 23 footer to those who want the BEST in motorboats.

GREW BOATS LIMITED
PENETANGUISHENE, ONTARIO & JACKSON'S POINT, ONTARIO

Ship Repair is Big Business



An example of the outstanding importance of ship repair to Canadian yards. In March, 1945, the freighter S.S. Greenhill exploded in Vancouver Harbor, killing eight men. Still burning, and with bridge collapsed into hold, the ship was towed out of harbor and beached at Siwash Rock. Below is the S.S. Greenhill Park with her new name after the ship repair yards had finished with her. The wrecked ship had at first been declared a total loss and beyond repair.

Shipyards Confound Pessimists Find Postwar Jobs Still Plenty

By C. J. DANIELS
Editor, Canadian Shipping

Not quite a year has elapsed since V-J Day brought an inevitable cancellation of some business on the order books of Canada's steel shipbuilding and repairing firms; but much has developed to confound the pessimists who never could see a permanent and profitable future for these allied industries.

This week a survey of Canada's major shipyards presented their general position as follows:

(1) New tonnage orders in force have a dollar value in excess of $90 millions—the business being about evenly divided between domestic and foreign purchases;

(2) Yards specializing in repairs on both East and West Coasts are enjoying a heavy volume of business;

(3) First important peacetime orders for replacements in the Great Lakes passenger and cargo fleets have been placed within the past two months.

This is not to say the industry lacks problems; but rather, that important progress in conversion to a peacetime economy has been achieved. Some yards have fared better than others—some are so busy that they cannot promise delivery of new ships before 1948. But there are still about 25,000 men employed directly in shipbuilding and ship repairing, and thousands more in the industries that build ships' components.

Consolidate Resources

A consolidation of shipbuilding resources has taken place since V-J Day. On the west coast, Burrard Dry Dock Co. Ltd. has purchased the two yards operated for years by Yarrows Ltd., at Esquimalt, and will continue to operate them under their established company name. Control of the four major Great Lakes yards, at Port Arthur, Collingwood, Midland and Kingston, has been acquired by Canada Steamship Lines Ltd., which also owns the Davie Shipbuilding and Repairing Yard at Lauzon, Que., and has an interest in Canadian Vickers Ltd. The only Canadian shipyards to close down since the war ended were Government-owned.

Reconstruction loans to France account for about half the present volume of new tonnage orders in force in Canada. Burrard Dry Dock, in North Vancouver, is building 10 colliers for France and Davie Shipbuilding and Repairing (Lauzon, Que.) and Marine Industries Ltd., (Sorel, Que.) each has orders for four more of these vessels. The same Government financing is expected to bring further French orders and some from China.

In the field of foreign orders which fall wholly within the "export" category, (since they are wholly financed by foreign funds), Brazil has been Canada's best customer. Canadian Vickers Ltd. (Montreal) delivered four 4,450-tonners to Brazil last year and is currently constructing another four of a larger and faster cargo liner type. These latter ships promise to enhance Canada's reputation for building quality tonnage of diversified types. The express cargo liner Canadaoloide was the first of this class to be launched last month and delivery is scheduled for the fall. Of 7,300 tons, these vessels are powered by high-speed double-reduction geared turbines and are expected to cruise at 17 knots on the run between Rio de Janeiro and New York.

Three for Caribbean

Currently outfitting at three Canadian yards are three other ships of the cargo liner class which will not do the reputation of Canadian shipbuilders any harm. Classed as 7,500-ton motorships, these vessels were originally laid down under Canada's war program but have been snapped up (through War Assets) by Canadian National Steamships Ltd. for the East Coast-Caribbean service.

These ships will have a sustained sea speed of 16 knots and are the first large cargo liners to be powered by Diesel engines built in Canada. Their Sun-Doxford Diesels have been built in the shops of Canadian Vickers Ltd. under license. Developing a maximum shaft horsepower of 6,600, the big engines are installed for direct drive. Accommodation for 12 passengers on each vessel and installation of generous refrigerated cargo space are added features.

Builders of Canada's new motorships are Canadian Vickers, Davie Shipbuilding and Repairing, and Burrard Dry Dock.

But it is in conversion and repair of ships that many Canadian yards are finding promise of a substantial and permanent volume of business. Canada's big transport ferries—somewhat similar to the tank landing ships so popular with U.S. forces—were not all finished in time to share in the defeat of Japan. One of their hitherto secret features was that they were equipped with large heeling and trimming tanks, which, when flooded, would cause the ship to list either to port or starboard, to a degree which would facilitate the launching of other landing ships on their decks.

These transport ferries were of shallow draft design, and although they had big ramp doors at the bow, few shipping people could see a peacetime future for them.

Not so the operators of large logging camps on the B.C. coast. They reasoned that if the transport ferries could list safely to a considerable degree in order to launch smaller ships carried on the deck, they could also be made to list in order to unload big logs. So several Canadian transport ferries are undergoing conversion in B.C. yards to enable them to carry logs around the west coast of Vancouver Island in the winter, when storms make it impractical to tow logs in booms.

Shortages of steel and coal have added to shipbuilders' headaches this spring, and the threat of higher wage demands in the industry disturbs statisticians who know that the dollar factor will largely govern future orders. Basic wage for a shipwright in Canada is reckoned at 87 cents an hour, as compared with 47 cents in Britain and 40 cents in Sweden. A higher man-hour productivity would seem to be the only satisfactory goal for labor and management, if our shipyards are to continue to enjoy a substantial measure of activity.

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of the finest quality
at very low cost

EXPERIENCE, progressive methods and a modern plant enable us to produce, for domestic or foreign use, and at the lowest possible cost, railroad rolling stock of every description—bus, truck and automobile bodies—air dump and industrial cars of every kind—steel pressings and forgings, drop forgings, steel and light alloy aircraft forgings.

NATIONAL STEEL CAR
HEAD OFFICE: HAMILTON Corporation Limited SALES OFFICE: MONTREAL
BUILDERS OF TRANSPORT FOR CANADA
1-45

Pan American Airways Circumvents Bottleneck

(Continued from page 21)

is hoped that with the end of the food crisis, permanent markets may be found for the vitamin rich "king of fishes."

Seek New Salt Beds

Salt is an important commodity to Newfoundland for the curing of its fish products. Normally it imports some 40,000 tons, principally from the U.S., at prices to fishermen pegged in recent years at $5.90 per hogshead. An effort is being made this year to examine suspected salt beds on the west coast of Newfoundland.

Since the supply of animal feeds became restricted importations by Newfoundland from Canada and the U.S. have been in unbranded bags. Importation and distribution have been managed by a Feed Pool. Recently the Pool has been able to obtain supplies from Canadian mills only under the condition that fish meal should be shipped to them from Newfoundland, as protein fortification was not otherwise available. Newfoundland does not normally utilize fish offal to any extent, and as a system for the collection and processing of it has not been developed on a large scale, supplies have been difficult to obtain. Sufficient quantity has, however, gone to Canadian millers to enable them to relieve a recent shortage in Newfoundland of high protein laying mashes.

Under sponsorship of the Newfoundland Government and the paper mills at Corner Brook and Grand Falls, arrangements have been made for the survey of the Humber, Expliots and Bay d'Espoir drainage areas by the aerial survey division of the C.P.R. About 800 square miles is to be photographed for the government and 4,400 for the two paper companies.

Five-Year Survey

This survey will supplement the work of Mr. G. H. Desbarats of Ottawa who has been appointed by the government to plan and conduct a survey of Newfoundland's waterpower. It is estimated that this hydrographic survey will accupy a period of five years. In the current official estimates $50,000 is earmarked for this undertaking.

Plans are proceeding for the erection in Bay of Islands of a modern canning plant by Connors Brothers of Blacks Harbor, New Brunswick. A suitable site was selected by Senator A. W. MacLean, President of Connors Brothers, who visited Bay of Islands recently in company with the chairman of the Newfoundland Fisheries Board.

Support of the project by the herring packers in the area would seem to be assured by their agreement with Connors' proposal that a large refrigeration plant for storing supplies for the whole area be financed and established jointly by the packers and the company.

The Newfoundland Dehydrating Process Company, which operates a herring meal and oil plant at Bay of Islands, has come up against a strong prejudice on the part of the fishermen against the use of herring seines. The Company's nets were taken out of the water by fishermen, who struck in protest against this method of mass production, which they felt endangered the future of individual boatmen.

Shipyard for Sale

To be prepared for a critical shortage of tonnage when the submarine menace was at its height, the Newfoundland Government undertook the construction of ten motor vessels of about 400 tons capacity each, at a specially constructed shipbuilding yard at Clarenville. The cost of construction of the yards and the ten vessels is estimated at $2 millions. The ships themselves are valuable craft and are at present performing useful service for the Newfoundland Railway in coastal and foreign going trade.

With the end of the submarine warfare and completion of the tenth ship, the government has gone out of the shipbuilding business and is now offering the shipyards for sale by tender. It is doubtful if the demand in Newfoundland for ships is sufficient to keep the yards in operation on an economic basis. As far as can be learned, no offer has yet been made by private enterprise.

Arrangements have been concluded through the Combined Food Board for the allocation of salt codfish to the various producer countries for the year 1946. Prices are the same as for last year, and range from No. 1 quality $19.75 per qtl. to $8.82, Canadian funds, for salt bulk cod. Prices to the producer will soon be discussed between exporters and representatives of the fishermen.

Commissioner to U.K.

The Government announces appointment of Col. F. W. Rendell as Trade Commissioner to London, suc-in 1945 (41.35% against 40.85%).

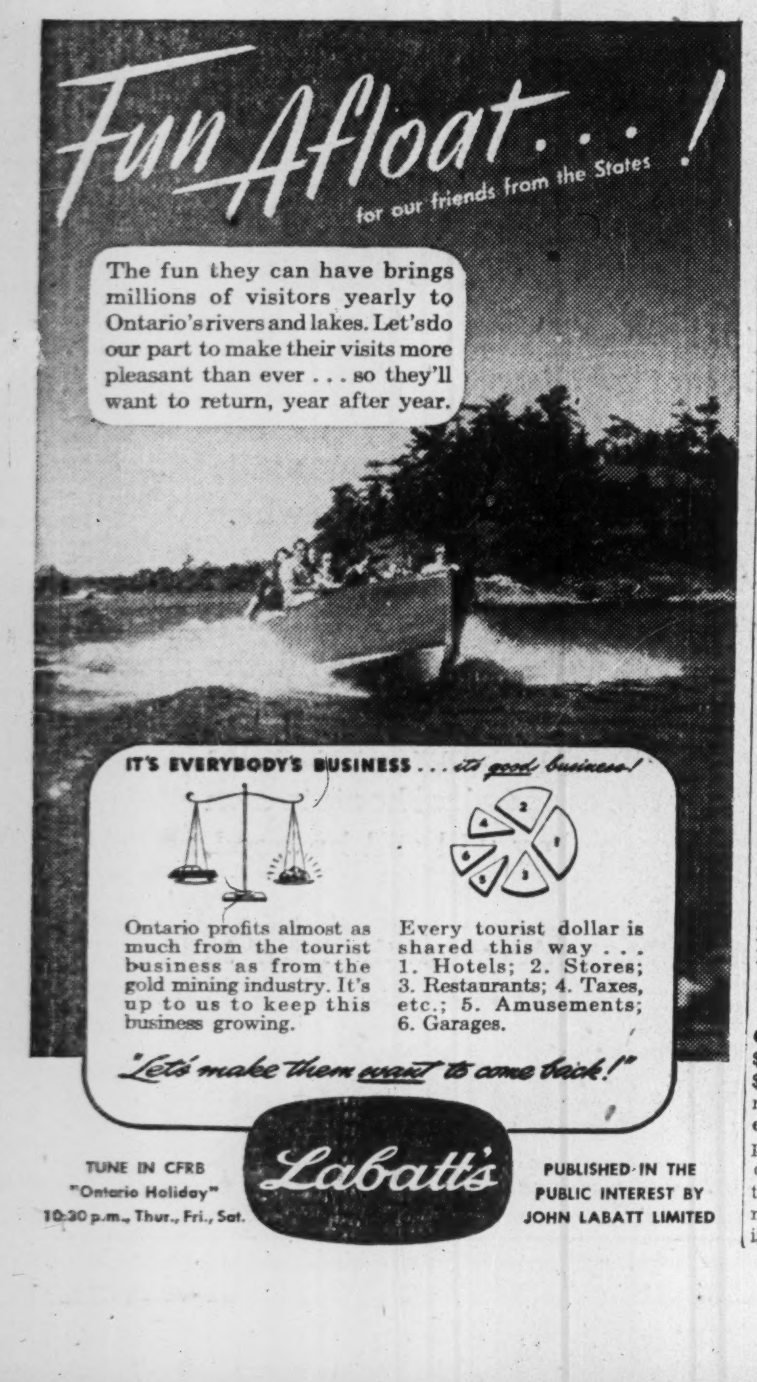
Col. Rendell, a veteran of World War I, during the past four years was secretary to the Department of Defence, now disbanded.

The creation of a Trade Commissioner service to other customer countries is now under consideration by the Department of Natural Resources.

Dr. I. W. Rabinowitch, Associate Professor of Medicine at McGill University and well-known specialist in diabetes, was guest of honor at the Newfoundland Medical Association Convention in St. John's recently. Dr. Rabinowitch was entertained officially by the Commission of Government at a largely attended dinner.

Newfoundland was visited recently by Mr. D. W. Lambie, United Kingdom Trade Commissioner for the Maritimes and Newfoundland. He was able to report some progress by British manufacturers in solution of their reconversion difficulties, and to indicate to Newfoundland importers who are normally well disposed toward British goods if prices are competitive with those of Canada and the U.S., some prospects of a freer supply of hardwares from the United Kingdom.

SOUTHERN CANADA POWER CO. reports May gross earnings at $321,236 (up $25,647) and surplus at $7,117, up $7,945. For the eight months ended May 30, 1946, net earnings were up $53,300 and surplus up $36,176 on a $102,500 increase in gross. In terms of gross taken down to net earnings, 1946 ratio to date is more favorable than in 19454 (41.35% against 40.85%).



Fun Afloat...!
for our friends from the States

The fun they can have brings millions of visitors yearly to Ontario's rivers and lakes. Let's do our part to make their visits more pleasant than ever . . . so they'll want to return, year after year.

IT'S EVERYBODY'S BUSINESS . . . it's good business!

Ontario profits almost as much from the tourist business as from the gold mining industry. It's up to us to keep this business growing.

Every tourist dollar is shared this way . . . 1. Hotels; 2. Stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

"Let's make them want to come back!"

TUNE IN CFRB
"Ontario Holiday"
10:30 p.m., Thur., Fri., Sat.

Labatt's

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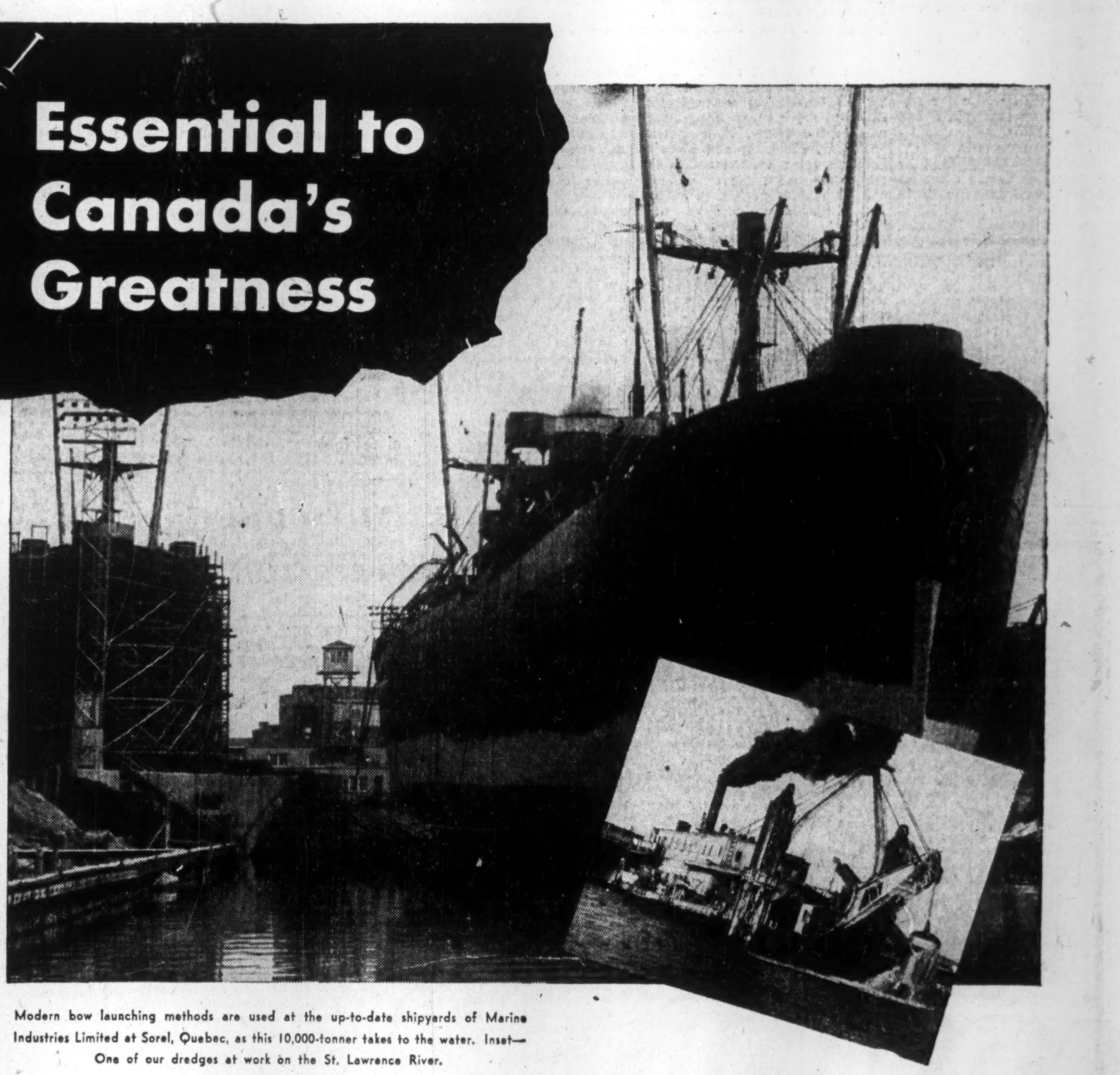

Essential to Canada's Greatness

Modern bow launching methods are used at the up-to-date shipyards of Marine Industries Limited at Sorel, Quebec, as this 10,000-tonner takes to the water. Inset—One of our dredges at work on the St. Lawrence River.

DIRECTORS

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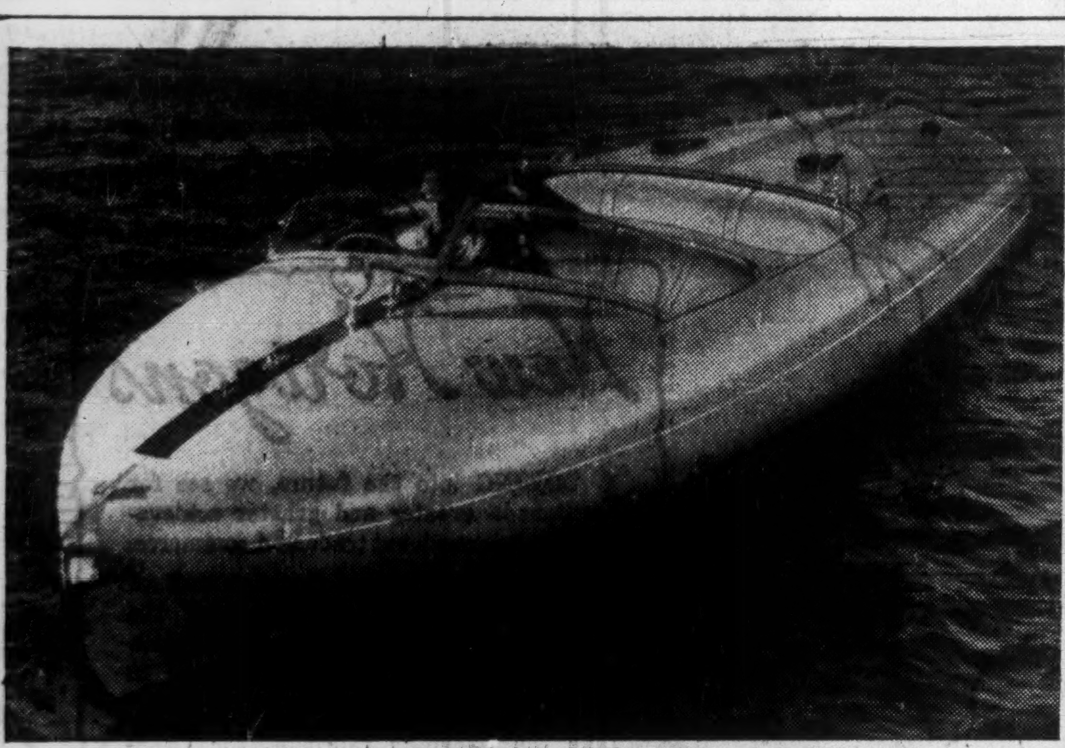
E. de G. POWER
P. A. LAVALLEE
J. EDOUARD SIMARD
A. LUDGER SIMARD
COL. H. S. TOBIN, D.S.O.

A YOUNG, vigorous country, bountifully supplied with natural resources and rich in the industry of her people, Canada produces vastly more goods and materials than she can use. The products of her fields, forests, factories and mines, beyond those required within her own borders, must find markets in other parts of the world. Great fleets of cargo ships and deep open waterways are indispensable to Canada if she is to retain her proper and prosperous place among the great family of nations.

Marine Industries Limited at Sorel, Quebec, has facilities which are essential to Canada's greatness. With immense shipyards, the longest marine railway in the world, a great variety of dredging equipment, plus a wealth of experience and know-how, Marine Industries Limited is particularly well qualified to serve this Dominion in any capacity relating to ship building, ship repairing and dredging.

MARINE INDUSTRIES LIMITED
SOREL • MONTREAL • VANCOUVER



Streamlining of hulls has gone about as far as it is likely to go, Canadian speedboat designers tell The Financial Post. Here is one of the latest, the sleek Bermuda Silver Queen, built by Greavette Boats Ltd., Gravenhurst, Ont., for ocean runabout use. Rounded bows are widely used.

Postwar Pleasure Boats Bigger Improved in Design and Power

Marine designs run in five-year cycles and Canadian waters can expect something new in pleasure craft in the current swing, boatbuilders say. Innovations in size, design, gear, power plant are definitely indicated; and construction materials and methods may also see a change.

Here are some designers' notes made for The Financial Post: Trend is away from once-popular 20 to 26-ft. power cruisers, up to 30 and 35-ft. jobs. In the higher-priced range, 40 to 60-ft. de luxe cruisers, which can go anywhere that 80 footers can, at about half the upkeep cost, are gaining prestige. "V" bottoms, except in racing and speed boats are considered in some quarters to be on the way out, and the more dependable, stabilized, round-bilged vessel is staging a come back, despite slightly higher prices.

Plywood structure may be all right for dinghies, and certain types of speed boats and racing craft, but is not in the picture for larger types. The high-speed Diesel power plant is here to stay. In sail, the big, racing, gaff topsail cutter is expected in some quarters to get back into the running; and a new class, a little larger than the Star, is anticipated.

Seek 30-Footers or More

On this trend toward longer runabouts, Marine Salvage & Construction Ltd., Vancouver, reports that more than 70 enquiries this year for the 30-footers and better, convinced President James Abbott that the yards shouldn't build anything under 28 ft.

Discussing design, Mr. Abbott told The Post that boats of tomorrow will be more lived-in than ever before; modern galleys and small refrigerators, automatic steering, ship-to-ship and shore-to-shore telephone, will be in demand.

"Small boats seem to follow their big sisters," Mr. Abbott remarked, "so a modified streamline will be with us a little longer. Design of hull cannot change very much more, but deck and accommodation plans can and will."

An innovation in method has just reached Canada's west coast, with assembly-line production of small craft now set up at the Abbott Craft yards. When in operation, the new plant is expected to turn out seven 40-ft. refrigerated fish boats a day. No application of similar methods for pleasure craft is reported.

Plywood in Doubt

Plywood, used in many light war craft and improved almost beyond recognition by recent developments, is not taken seriously by builders of large craft for anything except interiors and deck houses. Several builders of small boats, dinghies, outboards and rowboats are turning out lightweight models.

Aero Marine Industries, Toronto, for example, is marketing a teardrop boat, built for outboard or sail, which uses both aircraft plywood molding methods and contour. A 10 ft. 2in. by 4 ft. 2 in. craft, with space for five passengers, is Aero's first boat. It weighs only 75 lb. and can be fitted with an 18-ft. molded plywood mast.

Others are in this small plywood boat business, but some engineers are sceptical of this application of the material. Morley Lazier, Toronto consulting engineer well acquainted with plywood in aircraft, told The Post a laminated plywood boat would probably be too rigid to be assuredly durable.

Aluminum is another new boatbuilding material, already used in several models of canoes in Canada. It turns out a canoe weighing about 75 lb. And, just emerging from the experimental stages in a Canadian plant is an all-plastic, molded dinghy. It is seen as the answer to a yatchsman's prayers, having no seams to open, little weight, and resisting the growth of marine fungus and other deteriorating influences.

Power boat builders don't agree on how small a craft can be efficiently propelled by new high-speed Diesel engines; but the consensus is that in some applications, these will give gasoline power a run for its money. Advantages claimed include relatively greater safety from fire, and general dependability.

"When manufacturers take the time and trouble to demonstrate the mechanical workings of high-speed Diesels, and when mass production brings them down considerably in price, demand for gas engines will cease," said Mr. Abbott.

Meanwhile, Canadian boatbuilders large and small, report shortages and holdups in properly seasoned lumber and in marine engines. There is no scarcity, they say, of potential boat buyers.

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Dredging, Dock Construction,
Tunnels, Foundations, Piers

Modern Equipment

Suction, Dipper, Clam Dredges;
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The famous EMPIRE BUILDER leaves Chicago's Union Station daily at 11:15 pm C.S.T. and provides luxurious service to the Twin Cities, the Pacific Northwest and connects in Everett, Wash., for Vancouver, B.C.; to Victoria, B.C., via Seattle or Vancouver and connecting steamer.

Travelers to Winnipeg who are stopping over in Chicago can take morning streamliners to the Twin Cities. These fast trains connect with the Great Northern's Winnipeg Limited, leaving St. Paul at 8:00 pm. This popular train provides overnight service to Winnipeg and affords convenient connections for travel to Western Canada.

If traveling to the Pacific Coast, you can enjoy a thrilling stop-off in Glacier National Park, Montana. The EMPIRE BUILDER stops at both rail entrances to the Park—the American gateway to the Canadian Rockies. Glorious Glacier's hotels and chalets will be open from June 15 to September 15.

The EMPIRE BUILDER provides standard Pullmans, Tourist Sleeping Cars, Coaches—all air-conditioned.

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Picao Is Nursemaid To World Aviation

MONTREAL (Staff) — Canadians recently had an opportunity to get a first-hand look at one of the most important international transportation bodies when the first interim assembly of the Provisional International Civil Aviation Organization met here early this month. While certain technicalities require this organization to retain its provisional title, it is now virtually certain that it is the permanent international aviation body. Montreal has been picked as the permanent seat and plans drafted during assembly meetings were aimed to provide a sound basis for future air operations.

Object of PICAO is to act as a clearing house with respect to civil aviation practices and to draw up regulations which will standardize aviation procedure throughout the world. In this respect it will perform a similar function to the shipping conferences whose members operate under common standards with respect to navigation, signals, freight rates, etc. While PICAO is not interested in setting passenger rates, it is concerned with getting member states to sign an agreement which will give each country an equal opportunity to develop and participate in civil aviation business.

Prevent "Freeze Out"

Canada, United States and United Kingdom, for example, have well-developed airlines and could effectively keep a country like China from developing its air operations by keeping rates at a low level. PICAO's job is to get countries to agree to certain rates which will permit all countries to get into the air race.

In view of this, PICAO is trying to rule out government subsidies to international airlines. This point was emphasized by H. J. Symington at the recent Sessional Committee hearings on railways and shipping when he said: "We (Canada and other PICAO members) are trying very hard to avoid subsidies; all international operations must be kept separate, and the figures must all be filed with the international authorities so that they can see what subsidies there are, what they are actually, whether the rates are justified, or too low; and you cannot subsidize for the purpose of interfering with or obstructing competition. The information will all be passed to the international authorities in order that they may deal with abusive practices of that kind."

Prevent Air Monopoly

In the case of TCA, this would mean that PICAO would rule out the possibility of the Canadian Government's subsidizing the airline to the extent that it could give very low rates, thus taking a competitive advantage over other countries. Also from Mr. Symington's statement it appears that TCA would not be able to subsidize its international operations from profits on its domestic operations, in order to gain an unfair competitive advantage.

But probably the most interesting of PICAO's projects deals with establishment of 13 "station ships" along the North Atlantic route. This plan calls for ships to be stationed at fixed points along the route to supply weather data for transatlantic flights and to act as safety bases along the way. Since station ships on this route would at present be used by only a limited number of countries, cost of their operation will probably be met by contributions in cash or in kind from countries interested in this service. The proportion to be paid, would be agreed on by the countries concerned. As a regular user of this route, Canada would probably be called on to contribute one of the major shares.

PICKLE CROW GOLD MINES ore reserves increased 6.6% and working capital was 8.3% higher at $1,033,927 in 1945. Deepening of No. 3 shaft to 1,546 ft. will permit developing a block of ore on No. 2 vein from surface to the 750-ft. level and enable company to explore the vein below the 1,225-ft. horizon.

A total of 16,290 ft. of surface drilling was carried out. Some interesting values were reported obtained and favorable geological conditions which will be further explored as opportunity permits, Mine Manager A. G. Hattie, states.

On Dec. 7, 1945, company acquired assets of Albany River Gold Mines on a one Pickle Crow for 10 Albany share basis. Since that date Pickle Crow has made an application for an increase in authorized capital to 3.5 million shares.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Bullion sales	$1,291,181	$1,453,312
Less: Mktg., etc.	15,614	17,610
Net output	1,275,567	1,435,702
Less: Oper. exps.	787,605	700,290
Oper. profit	487,962	735,412
Add: Sundry rev.	29,847	13,149
Total earnings	517,809	748,561
Less: Deprec.	96,771	93,732
Prov. for taxes	116,628	188,059
Net profit	304,410	466,770
Less: Divds.	300,000	300,000
Surplus for year	4,410	166,770
Earned per share	$0.10	$0.16
Paid	0.10	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bullion	$136,333	$313,331
Govt. bonds*	671,123	494,185
Accts. etc. rec.	12,070	9,228
Recov. exp.	3,989	4,414
Mat. & supplies	330,351	342,857
Total curr. assets	1,153,866	1,164,015
Dep. re pwr. cont.	27,659	27,659
Prep. & def. chgs.	15,704	26,617
Shs. etc. other cos.	248,500	241,698
Mining claims	1,692,807	1,692,807
Plant & equip.▲	126,647	197,098
Total assets	3,265,183	3,349,894
Accts. etc. pay.	65,869	59,760
Reserve for taxes	54,070	149,300
Total curr. liab.	119,939	209,060
Capital stock	2,100,000	2,100,000
Surplus	1,045,244	1,040,834
▲After depr. of	1,415,597	1,322,005
*Market value	681,145	502,557
Working capital	1,033,927	954,955

OPERATING STATISTICS

	1945	1944
Tons milled*	64,090	69,518
Average recov.	$21.44	$22.93
Ore reserves, tons	695,095	651,865
Grade ($38.50 gold)	*$14.41	$14.41

*After sorting out waste rock.

A Statement of

STELCO POLICY

in the matter of Steel supply

THE DEMAND for steel in Canada today is greater than ever before. Greater even than during the war years when Stelco facilities were taxed to capacity and when supplies of steel available in Canada were augmented by tonnage imported from across the line.

With war's end arrangements for these steel imports were terminated. Strikes began to create shortages in the American field. Demand on Canadian producers began to pyramid. Industry needed steel for reconversion from war production to civilian requirements — needed it *immediately* and in large quantity. But — no built-up stocks were available anywhere.

It's the simple story of Demand outstripping Supply.

Indicative of Stelco's efforts to provide for maximum output are its increased production — more than double that of the maximum pre-war years — and a new Hot Strip Mill now in operation in Hamilton.

In the matter of distribution, Stelco will continue to give every customer the fullest possible consideration in the intelligent and equable allocation of available supplies. No favouritism will be shown to one customer above another, nor to any particular part of the country.

With all-out production and fair distribution Stelco is confident that present difficulties can be overcome and equilibrium restored.

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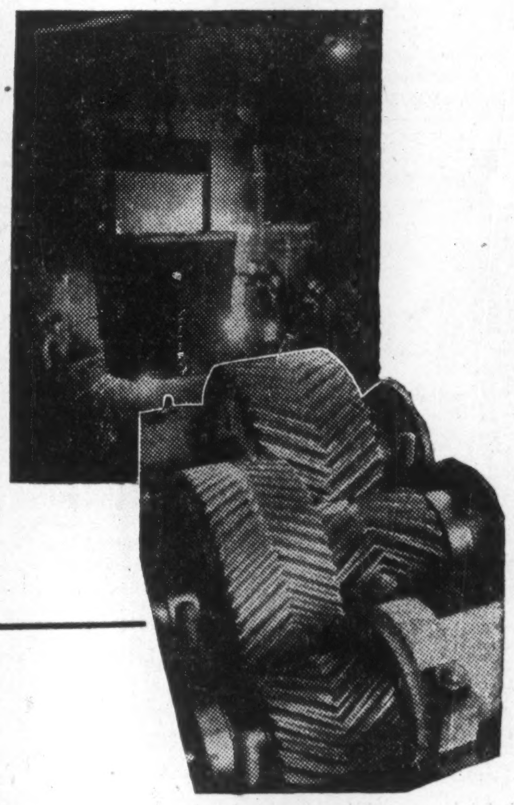

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VALMORE GRATTON, DIRECTOR

Shows Chileans How Canadians Fish Expects to Sell Them B. C. Engines

From Our Own Correspondent

VANCOUVER — Somewhere off the coast of Chile a 60-foot fishboat powered by a Canadian engine and skippered by a Canadian, is demonstrating to Chileans the methods used by British Columbia fishermen in making their big hauls of herring and pilchards.

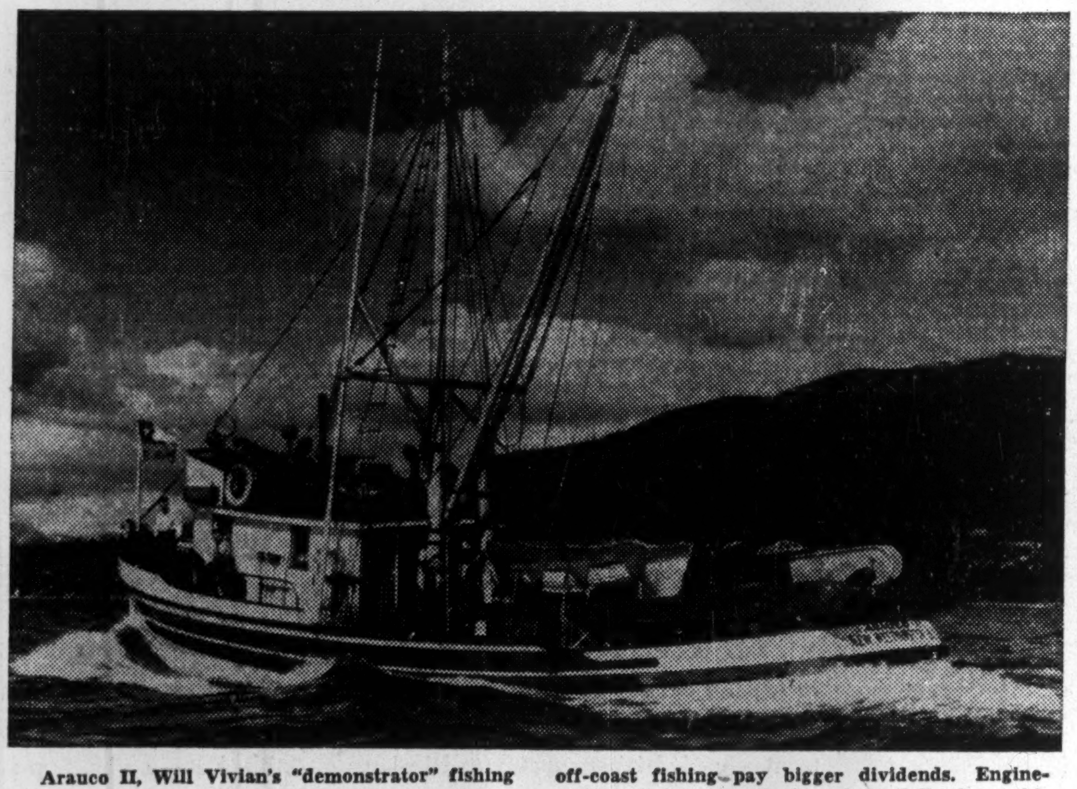
The experiment is being closely watched in Vancouver by the man who dreamed it up—Will Vivian who, besides being one of Canada's master engine builders, is one of the country's most export-minded manufacturers.

MR. VIVIAN

Having sold hundreds of his gasoline and Diesel engines to fishermen in British Columbia and many more to fishermen and tugboat operators in Australasia and to the United Kingdom, it was only natural that Will Vivian, with his viewpoint on creating new business, should visualize the fishermen's argosy to South America and see that it materialized.

Vivian's idea is that if the Chileans are impressed with the Canadian fishing vessel and its engine and other equipment it will mean more orders for Vivian Engine Works, the big plant in Vancouver which he built from the ground up and which today probably turns out more marine Diesel engines than any other corporation in Canada.

The South American venture is typical of Vivian's tactics in getting business. He pioneered the Australian market in somewhat the same way, although he is not given to personal showmanship. Considering all his accomplishments, especially during the war years, when his plant turned out Diesel engines in tremendous volume for the British and Canadian navies, Will Vivian is a remarkably retiring man who seldom speaks out in public. He likes his engines to do the talking for the firm, and so far they have done a very good job.



Arauco II, Will Vivian's "demonstrator" fishing boat, seen leaving Vancouver harbor recently en route to Chilean waters to show South Americans how Canadian hulls, engines and gear are making off-coast fishing pay bigger dividends. Engine-maker Vivian expects to substantially boost his South American orders with this enterprising example of "good theatre and salesmanship."

Will Vivian was born in Vancouver in 1890 of Welsh-English parents who were anything but wealthy. His schooling was haphazard and ceased at the age of nine, when he sold newspapers and worked as a mechanic's helper. He went to sea as a boy and served as a sailor on the old Canadian Pacific liner Empress of China, and later he worked on fishboats in the Gulf of Georgia and on the Fraser River.

But always he remembered his days in the machine shop and tried to apply his experience to his every-day job. On the ocean liner he watched the big engines with fascination; on the fishboats he tinkered and experimented with the engines whenever possible. The "naphtha" launches which putt-putted around False Creek, Vancouver, in the old days, were a constant source of interest for the youth.

Soon after the earthquake in San Francisco in 1906, Vivian decided that making engines was to be his career. He went to the California city and joined the old Imperial Engine Works, which later became the Hall-Scott Motor Co.

He learned all he could about marine engines and how to build and operate them. He also developed a few new ideas of his own and these he incorporated in an engine of his own design which he brought back to Vancouver with him in 1909. It was installed in the first vessel that the pioneer boatbuilder, Henry Hoffar, built and, according to the marine fraternity, it is still in operation.

At the age of 19 Vivian opened his own shop on West 6th Avenue and employed one helper. A few years later his plant was employing nearly 100 men and rapidly gaining a foothold in the trade. The business was revolutionized in 1931 when Vivian turned out his first Diesel engine, a success from the start. Vivian Diesels are today giving service in the South Seas, in northern Canadian Rivers, on the Atlantic and in the North Sea as well as on the British Columbia and South American coasts.

Despite the huge scale of Vivian's wartime business when practically all the contracts were from governments for naval account and when a new subsidiary had to be set up to help with munitions work, Vivian's organization was not caught flat-footed when peace was restored. He knew that the company could not expect to thrive on purely domestic orders and that the war wouldn't last forever. Consequently when the war was over Vivian had orders from several countries to work on—from South America and Australia.

Getting Business "Easy"

"One of the things that surprised us was that we didn't have to send scouts down to get the business," said Vivian. "We did most of the preliminary work by correspondence and then we began to get an encouraging response we appointed agents."

Vivian is more export-conscious than ever as he scans the horizon for future business. And more than ever he is convinced that business doesn't come to those who don't go after it. That was one of the reasons for sending the fishboat to Chile.

"After all," he says, "you can't make progress by standing still. You've got to reach for orders."

'Soil Mechanics' Make Roads Last Longer

Advances which engineers call tremendous have been made in recent years in the relatively young science of "soil mechanics" for constructing the adequate roadbed without which, even the "low-cost" surface becomes expensive, and economical pavement impossible.

Until quite recently, nonrigid pavements have been built with little regard for soil conditions below. This was largely because of lack of organized information on the engineering properties of soil and building materials. It is now realized that worthwhile economies can be gained by designing the foundation to a determined strength.

A road or an airport runway usually consists of three principal interdependent units—the subgrade, the base course, and the wearing surface. The subgrade and base course together make up the foundation. The subgrade or primary foundation usually is constructed from the natural soil materials occuring on or immediately adjacent to the project. Now, with the benefit of recent advances in soil study, and in soil-water behaviors the following principles are getting almost daily application on the back concessions as well as on main highways;

Four Main Principles

1. Adequate drainage. Since free surface water may penetrate and seriously weaken the foundation, it must be removed before it has a chance to do damage.

2. Maintenance of the grade line at least 4 ft. above the soil water-table, to forestall water rise by capillary action. Such water and moisture action can't be met simply by drainage.

3. Eliminate pockets of suspect material where frost-heave is likely to occur. This entails replacement of peat and muck with coarse sand, gravel or heavy clay, i.e., nonheave materials.

4. Compaction of the subgrade in about 6-in. layers, called the Proctor method.

Canada has been highly glaciated, and over most of the country, there are large deposits of gravel. But in some parts, southern Ontario and the Prairie Provinces, for example, gravel has never been plentiful and such deposits as remain are becoming depleted. In these sections, engineers have been interested in development of an inexpensive process for treating gravel to give it greater efficiency as a base-course material. In this way, a given amount of gravel would have a greater load-bearing capacity, so that less gravel would be needed.

Principal development in this direction, according to Dr. Norman McLeod of Imperial Oil's asphalt technology department, is mechanical stabilization, wherein gravel, sand and clay binder are scientifically proportioned with a 1% to 2% admixture of liquid asphalt for waterproofing.

Another and more expensive type of base-course stabilization is: The soil material occurring naturally in the upper few inches of the subgrade, sometimes modified by adding granular or other soil material, is treated with from 5% to 15% of asphalt, tar, portland cement, bituminous emulsion or other admixture, which hardens the soil and reduces its susceptibility to weather and moisture.

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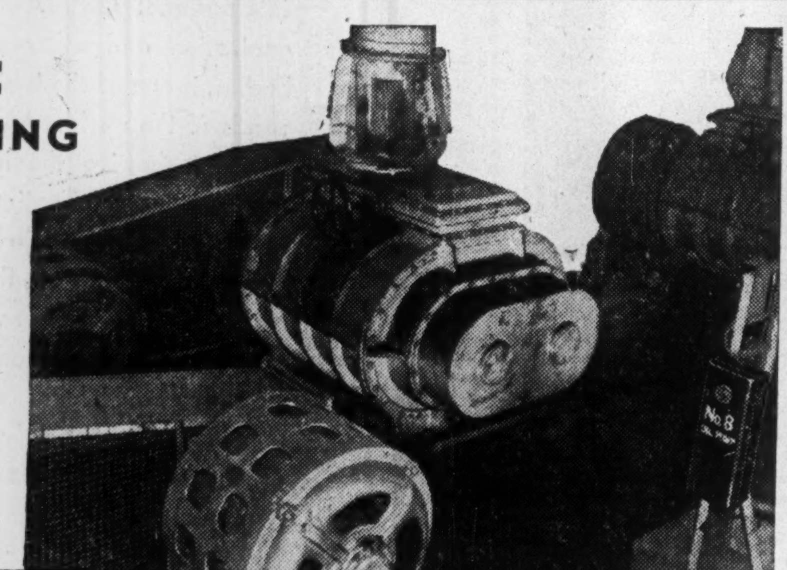

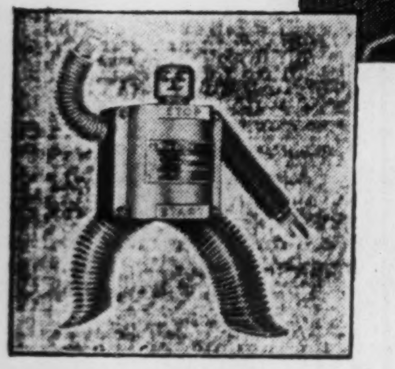

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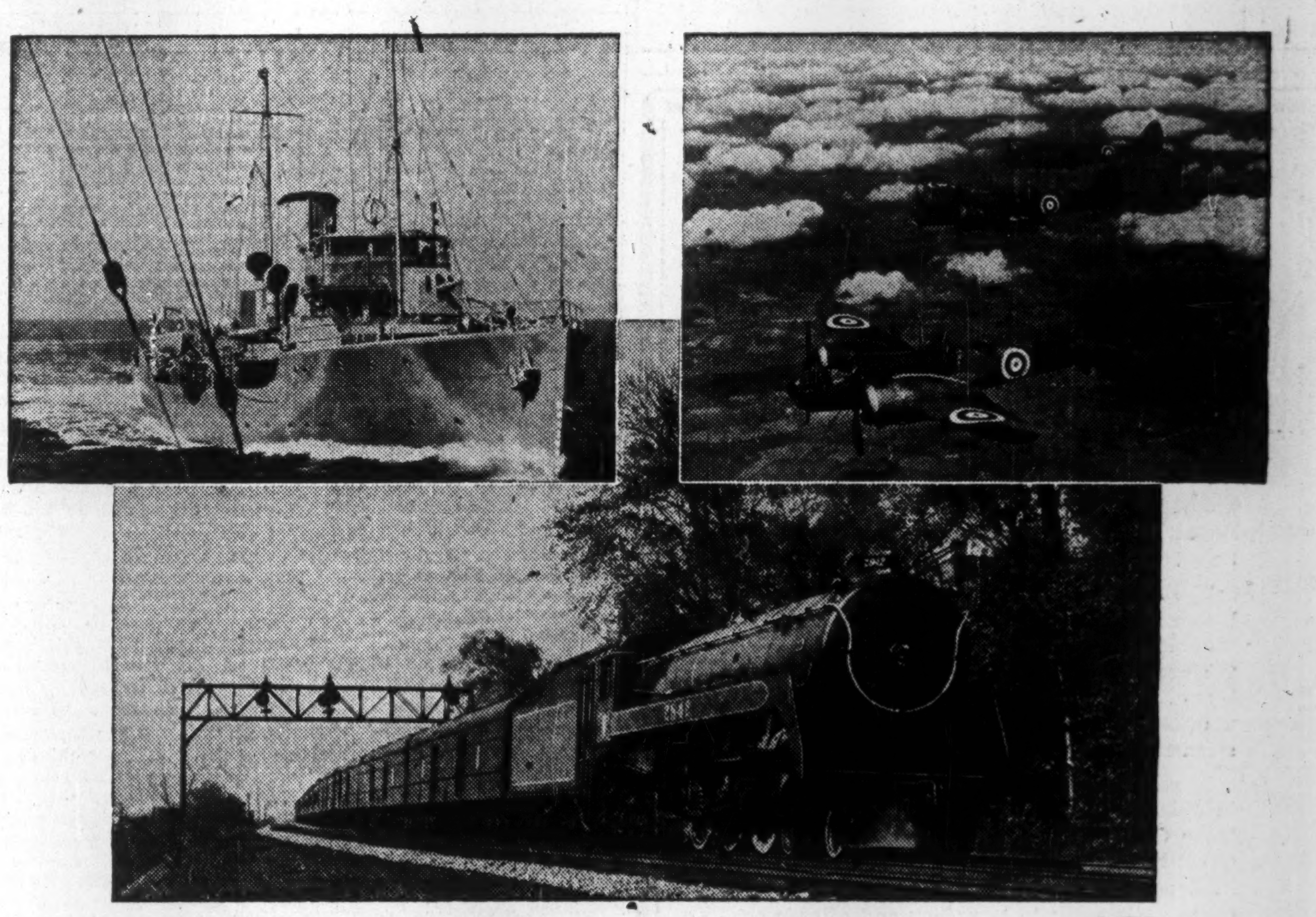

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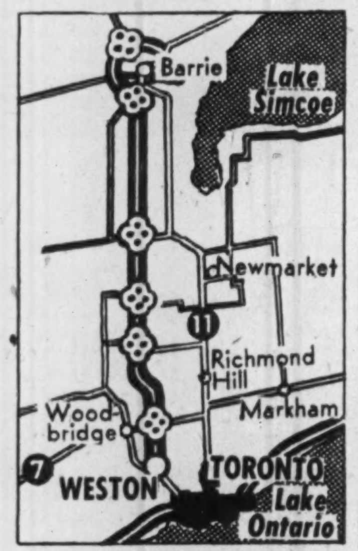
Canada Builds Dual Highways Again As Ontario Launches Muskoka Link

Dual highway building in Canada is being resumed, now in Ontario, before long in Quebec, later possibly in British Columbia and one or two other provinces.

Most impressive and expensive expression of road building art—they cost an average $130,000 a mile, and up to $250,000 where there is concentration of bridge or subway structures—dual highways also are a dream for drivers, providing unexampled speed, safety and comfort.

Popularly called "superhighways" they boast complete separation of lanes of opposed movement by means of a safety boulevard, complete separation of intersecting roads by "underpass" or "flyover" structures, access from sideroads limited to "cloverleaf" entrance systems at intervals.

Ontario this month steals the tourist spotlight with start of work on its long projected $5 millions 51-mile Toronto-Barrie superhighway link, after marking time on road building during six years of war. The new road will almost double the province's mileage of this type of road.



Route of Ontario's Toronto-Barrie divided lane superhighway now under construction. Shown are typical locations of "cloverleaf" entrances from intersections. Shown, too, are the dual highway stretches east and west of Toronto which hastened plans for the north-south tributary.

Will End Congestion

Ontario's great port of entry for American tourist traffic is the Niagara frontier, between lakes Ontario and Erie, with Windsor, Sarnia and the Ivy Lea international bridge near Gananoque as other important gateways. Because much of this traffic tends to converge on Toronto en route to the northern lake country of Muskoka and contiguous resort districts, congestion at and near Toronto long has been a major tourist traffic problem. And with construction, just before the war, of the 105-mile Buffalo-Toronto Queen Elizabeth superway, the congestion rapidly became intolerable.

The present main route north from Toronto—No. 11 to Barrie, Orillia, Gravenhurst, Huntsville, and North Bay—has never in recent years made for comfortable or safe travel; this year is literally swamped with bumper-to-bumper postwar vacation traffic. Narrow, winding, and with many a steep grade to add to traffic hazards, it becomes at week ends, on holidays and at height of the vacation season just one long, maddening traffic jam.

Expect Heavy Travel

Highway engineers, rejecting as too costly and ineffective any such alternative as the rebuilding of No. 11, laid out a new route paralleling it about 7 miles to the west, and contacting the Toronto metropolitan area near suburban Weston. An accompanying sketch shows the new arrow-flight route to Barrie. If it equals in popularity its parent Queen Elizabeth Way, it will carry a possible maximum 15,000 vehicles a day.

Under initial contracts totalling $1.6 million, two contractors at each end of the route this week are putting big bulldozers to work tearing up turf and sidehills for the new grade and structures. The highways department is about to award further grading-and-structures contracts for scheduled completion at the year-end and paving to follow

Into the new road's underpass and flyover structures to separate intersecting grades will go the equivalent of 8,000 truckloads of concrete; into the entire project about a million man-days of labor Here are estimated quantities:

Excavation (cu. yds.)	7,000,000
Granular material (cu. yds.)	600,000
Concrete in structures (cu. yds.)	40,000
Steel (tons)	2,000
Fencing (rods)	30,000
Sodding & seeding (acres)	700
Pavement (sq. yds.)	1,200,000
Aggregates (cu. yds.)	440,000
Man-days	1,000,000

Project Is Hailed

Tourist authorities regard materialization of the Toronto-Barrie superhighway as a godsend. The North Yonge Street route was, in pre-war heavy driving days, a tight bottleneck for traffic funnelling into Toronto from east and west and squeezing north to fan out from Barrie and Orillia westward to Georgian Bay, eastward, around Lake Simcoe, further north into Muskoka.

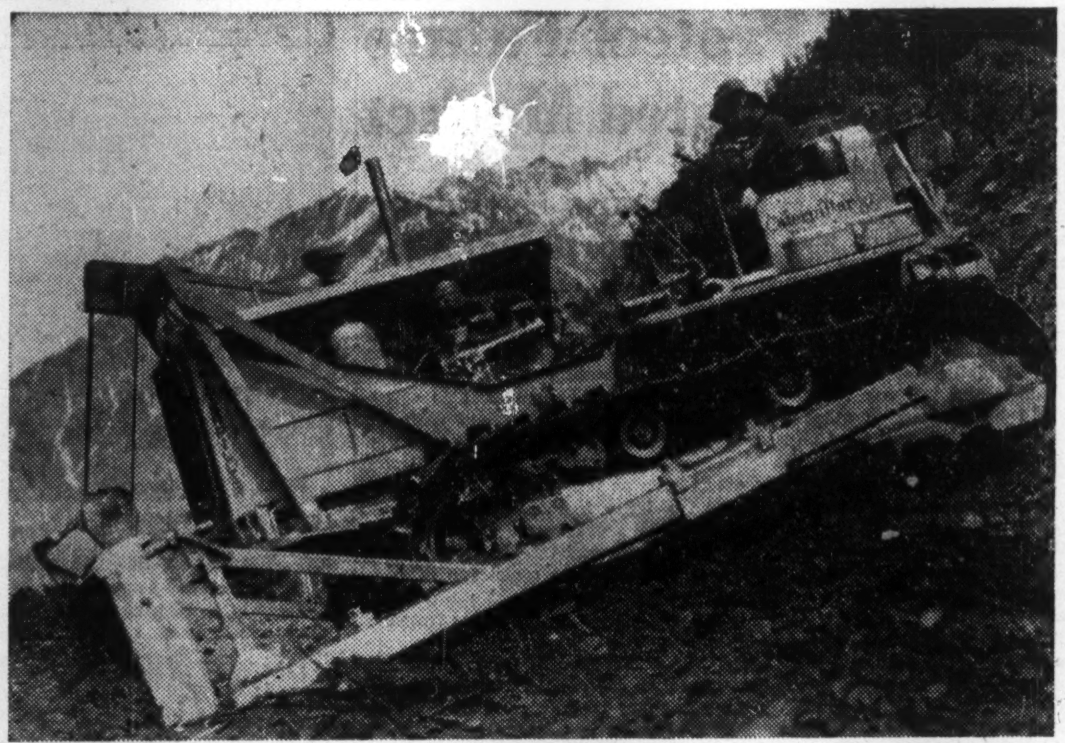
The Queen Elizabeth Way already channels tourists at top speed from one of Canada's chief automobile entry ports. Other roads from the east bring more tourists from America's most concentrated population area. There are about 50 million potential tourists within overnight driving range of these roads.

Access to the new road will be limited to the half-dozen "cloverleaf" entrance road systems spaced at intervals along its length. This limitation is not expected to offer any particular hardship to tourist camps which may be located along the route. The existing No. 27 to Barrie is flanked along most of its course with overnight cabins, trailer parks, "motels" and hot dog stands.

Help Farmers, Too

Ontario Highways Minister George Doucett, while stressing the new road's importance to the tourist business, believes it will make an equal contribution to the farming community, as an aid to farm produce marketing and as a business and transport energizer for the whole rural area it traverses.

Besides safety, the new road will offer more comfortable driving and a worthwhile time-saving for cars, buses and trucks. Average travelling speed will be well above 40 m.p.h., against an average 30 m.p.h. on congested No. 11. Besides, distance of travel is considerably shortened. A reduction of 15 miles means 75 cents saved each trip. If an average 5,000 motorists make the run in a 24-hr. period the saving is $3,750 a day, $1.36 million a year or $13.6 millions in ten years. This is approximately the original cost of a 60-mile controlled access divided highway.



Bulldozer, one of the handiest tools in the contractor's kit. This will be a common scene again as long-postponed road-building programs get under way. This scene shows stripping overburden.

This type of highway, Ontario Deputy Minister John Millar points out, removes three of the four major causes of highway traffic accidents—head-on collision, crashes at intersections, and headlight glare. The fourth, sideswipe, remains a human problem, one the engineer hasn't solved yet.

On divided highway stretches built earlier in Ontario, but temporarily gravel-surfaced as a war conservation measure, paving will proceed now in stages. This year half of an isolated 28-mile dual highway section near the Ivy Lea bridge is being paved on one lane. Paving is proceeding also on an uncompleted 18-mile stretch between West Hill, near Toronto, and Oshawa. Contemplated is early paving on 18 miles unfinished dual highway between Fort Erie and Niagara Falls.

Future capital construction on dual highway account has been surveyed but not yet blueprinted or definitely scheduled. To tie in the isolated Ivy Lea bridge dual highway segment with the ultimate trans-provincial dual highway system, future large-scale construction will be required eastward to Quebec's partially built divided highway route into Ontario, and westward to near Oshawa. An even bigger future link will be the Western Ontario stretch from Hamilton, via London area to the Windsor-Detroit border.

When all of this projected work has been accomplished—and the high costs of such road building should not be overlooked in estimating the time factor, especially since construction costs are now at a much higher and much more uncertain level than during the 1920's—Ontario will boast a dual highway system spanning the province from Quebec to the Michigan and New York borders, with major U. S. entrances at Detroit, Buffalo, Niagara Falls, Gananoque, Cornwall and via Quebec's new Laurier dual highway from central New York.

By that time, the north-south link with the Muskoka vacation country may have been extended to Gravenhurst, a logical projection if tourist traffic fulfills current promise.

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COMPANY REPORTS

UNION GAS CO. net profit for the year ended March 31, 1946, was up 66.4%. Increase in net profit is due mainly to a reduction of $191,104 in special depreciation provision on the refinery still gas and propane plants. Other changes were: Reductions in development costs, provision for amortization and regular depreciation of $55,592; in general and administrative expenses $29,953; in cost of purchased natural gas and gas produced in auxiliary manufacturing plants $22,869; with increases in profit on appliance sales of $30,399, and in miscellaneous earnings $1,354.

General operating costs were up $46,075, due mainly to higher labor rates and increased repair costs. Gross revenue from gas sales were down approximately $13,045 because of reduction in value of sales to industrial consumers, offset in part by increased sales to domestic and commercial consumers.

The cost of new facilities required by Union Gas in connection with importation, storage and distribution of natural gas from United States is estimated at $2.85 millions. In addition it will be necessary to purchase and retain in underground storage, an estimated seven-nine billion cu. ft. of natural gas to provide adequate working pressures.

When Union Gas will be ready to take delivery of U. S. gas, depends mainly upon the necessary 70 miles of pipe being available. The company will, however, be able to meet the demands of all its customers, when necessary facilities are completed.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net earnings	$1,704,664	$1,659,094
Less: Dev. costs	182,648	204,833
Deprec.	689,745	834,748
Plant & exp. w/o		47,027
Bond interest	160,964	173,330
Income tax res.	252,500	147,500
Net profit & surp.	418,807	251,656
Times Bond Charges Earned:		
Before depr. & w/o	9.46	8.39
After depr. & w/o	5.17	3.30
Earnings per Share and Dividend Record:		
Common: Earned	$0.59	$0.36
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1946	1945
Cash & Dom. bds.	$3,362,950	$2,692,948
Accts. rec.	395,949	354,041
Inventories	71,493	68,772
Total curr. assets	3,830,392	3,115,761
Invest. in United Fuel	1,047,964	1,047,964
Def. & other assets	527,011	658,298
Fixed assets	20,848,017	20,726,809
Total assets	26,253,384	25,548,832
Accts. & tax. pay.	715,764	546,392
Interest accr.	47,736	52,081
Total curr. liab.	763,500	598,473
Funded debt	2,851,300	3,129,900
Deprec. res.	8,563,166	8,163,849
Capital stock	11,056,330	11,056,330
Surplus	3,019,088	2,600,280
Working capital	3,066,892	2,517,288

ROBIN, JONES & WHITMAN LTD. net profit for year ended Feb. 28, 1946 was up 23.7%. The company enjoyed a successful year's business, President A. H. Whitman stated. A credit balance of $75,125 is carried forward to March 1, 1946.

INCOME ACCOUNT

Years Ended Feb. 28:	1946	1945
Net earnings	$151,208	$116,284
Less: Bond int.	8,030	8,322
Depreciation	31,541	40,753
Inc. tax res.	62,121	27,189
Net profit	49,516	40,020
Less: Pref. divds.	50,880	50,880
Deficit for year	1,364	10,860
Earnings per Share and Dividend Record:		
Pref.: Earned	$5.84	$4.72
Paid	6.00	6.00
Common: Earned	d0.24	d1.93
None paid.		

CONDENSED BALANCE SHEET

As at Feb. 28:	1946	1945
Cash	$130,119	$51,856
Accts. rec., etc.	78,860	90,780
Inventories	546,794	632,478
Total curr. assets	755,773	775,114
Misc. assets	75,430	54,430
Fixed assets	664,269	654,683
Total assets	1,495,472	1,484,227
Bank loan		108,142
Accts., tax, etc., pay.	245,147	145,689
Total curr. liabs.	245,147	253,831
Funded debt	131,400	136,267
Deprec. res.	157,661	143,214
Other res.	10,000	10,000
Capital stock	876,140	876,140
Working capital	510,626	521,283

DOMINION COAL CO. has just released financial statements for years 1943 and 1944, but according to President A. Cross, it will not be possible to submit figures for 1945 at forthcoming annual meeting as operating accounts have not been completely audited.

Sales of coal from collieries in 1944 totalled 3,594,553 gross tons as compared with 3,776,749 gross tons in 1943. In 1944, 3,582,581 gross tons were mined, being 1,721,019 gross tons or 32.8% below capacity, as against output of 3,719,055 gross tons, or 31.1% below capacity in 1943.

Dividend arrears on 6% cumulative preferred, after payment of $2.25 per share July 31, 1946, will be $3.37 per share.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net oper. loss	$4,155,961	$1,115,588
Misc. inc.*	6,628,369	3,532,265
Net earnings	2,472,408	2,416,677
Less: Deprec.	1,286,686	1,263,545
Bond interest	227,749	249,520
Int. of bank loan	347,452	243,205
Inc. taxes	92,500	157,500
Net profit	518,021	502,907
Less: Pref. divds.		409,575
Surplus for year	518,021	93,332
*Includes gov't assistance.		
Times All Interest Earned:		
Before deprec.	4.30	4.90
After deprec.	2.06	2.34
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.42	$2.31
Paid	nil	1.88
Com.: Earned	0.41	0.37
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$476,821	$334,567
Investments	354,800	529,300
Accts., etc., rec.	9,867,701	7,036,395
Inventories	2,893,279	3,463,864
Total curr. assets	13,592,601	11,364,126
Emp. V. bonds	1,061,048	789,935
Misc. assets	1,434,739	851,709
Fixed assets*	22,050,502	22,806,132
Total assets	38,138,890	35,811,902
Bank loans	7,800,000	5,175,000
Accts. & tax. pay.	1,794,517	2,492,339
Other curr. liab.	54,812	57,669
Total curr. liab.	9,649,329	7,725,008
Emp. V. bonds	1,061,048	789,935
Funded debt	4,943,000	5,231,000
Reserves	3,594,135	3,606,102
Capital stock	17,359,975	17,446,475
Surplus	1,531,403	1,013,382
*After depr. of	26,779,648	25,544,644
Working capital	3,943,272	3,639,118

CANADIAN WALLPAPER CO. net profit for the year ended Apr. 1946 was up 39.3%. Increase is mainly attributable to a higher taxable income, coupled with the fact that the accounts submitted are subject to income and excess profits taxes at 1945 rates for eight months and at a lower rate in 1946.

During the year, the company has been unable to satisfy the unprecedented demand for its product, President Arnold Ashton states. Token shipments to overseas markets have been maintained. Amount of goods which can be manufactured at present is limited by the amount of paper made available, supply of which is inadequate to meet demand. There is little hope of any improvement in supply this year, the president says.

INCOME ACCOUNT

Years Ended Apr. 30:	1946	1945
Operating profit	$185,189	$133,928
Less: Bond interest	......	918
Deprec. off. furn.	116	169
Net profit	185,073	132,841
Less: Dividends	129,246	129,246
Surplus for year	55,827	3,595
Earnings per Share and Dividend Record:		
Class "A" & "B":		
Earn.: Excl. ref. EPT	$1.43	$1.03
Incl. ref. EPT	1.89	1.46
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1946	1945
Cash & govt. bds.	$1,173,810	$1,259,563
Accts. rec.	562,692	325,480
Inventories	689,034	569,442
Total curr. assets	2,425,536	2,154,485
Misc. assets•	436,701	329,331
Int. & adv. to subs.	142,067	105,223
Fixed assets‡	1,334,494	1,364,767
Total assets	4,338,798	3,953,806
Bank loan	19,475	......
Accts. & tax pay.	653,925	403,467
Total curr. liab.	673,400	403,466
Capital stock	2,648,482	2,648,482
Surplus•	1,016,916	901,858
‡After depr. of	1,417,114	1,321,181
•Incl. ref. EPT	243,206	184,075
Working capital	1,752,136	1,751,019

ABITIBI POWER & PAPER CO. highlights of the 14th and final report of the receiver and manager for the year 1945 are:

Income from sales of $30,762,954 ($28,210,694 in 1944), derived $29,686,465 ($27,119,008) from sales of newsprint and wood pulp and $1,076,489 ($1,091,686) from sales of electric power.

Operating income up 6%.

Depreciation charge reduced to $3,750,000 ($4 millions) as the values for income tax purposes of certain properties have become wholly written off.

Income and excess profits taxes were set up at $1,750,000 ($1,250,000). The question of standard profits was before the Board of Referees on May 17, 1945, but their decision is not yet available.

Profit after all charges up 76.4% to $1,841,040 ($1,043,739).

Production of 453,657 (438,705) tons of newsprint of which 110,148 tons were supplied for consumption by customers of other Canadian newsprint manufacturing companies under WPTB order (15,707 tons were provided at increment cost and without profit to Abitibi).

Production of sulphate and other pulps totalled 83,834 tons (65,271). This included 6,978 tons of newsgrade sulphite pulp (none manufactured in 1944), and 11,405 tons of groundwood pulp as compared with 725 tons in 1944.

Pulpwood on hand at Feb. 28, 1946, was about 973,000 cords, of which about 50,000 cords will be left in the bush at the end of the 1945-46 cutting season (630,000 and 70,000 respectively at Mar. 31, 1945). About 835,000 cords of pulpwood a year are required to enable Abitibi and its subsidiaries to operate at full productive capacity at present.

Working capital was up $2,634,523 to $26,894,657 ($24,260,133).

Unsecured creditors' claims settled at $733,370 by the Supreme Court of Ontario.

RESULTS FROM OPERATIONS

Years End. Dec. 31:	1945	1944
Total income	$10,593,764	$9,993,795
Less: Expenses	228,890	279,397
Bal. avail. for deprec. & bond int.	10,364,874	9,714,398
Less: Depr. & depl.	3,948,732	4,183,343
Int. accr. for yr.‡	2,556,653	2,916,501
Res. for U. S. funds re int., etc.	268,449	320,814
Inc. tax	1,750,000	1,250,000
Balance	1,841,040	1,043,740
‡Incl. int. on int.		

CONDENSED RECEIVERSHIP BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$12,372,928	$12,917,630
Accts. rec.	7,796,755	6,743,222
Bd. invests.	204,553	213,953
Inventories	9,995,535	8,346,982
Total curr. assets	30,369,771	28,221,787
Note noncurr.	......	868,771
Suspense acct.	11,729	11,729
Prepaid exp.	365,558	294,261
Invest. & adv.	30,971,564	32,497,195
Misc. invests.	1,500,635	1,500,635
Fixed assets	41,865,904	44,120,275
Nomin. deficit	6,676,197	6,496,549
Oper. deficit	11,616,760	13,493,023
Total assets	123,378,118	127,504,225
Accts. pay. & accr.	3,475,114	3,761,654
Contingent res.	......	200,000
Total curr. liabs.	3,475,114	3,961,654
Contingent res.	550,000	......
Creditors' cls.	733,370	750,888
Credit. conting. res.	1,500,000	2,050,000
Funded debt	25,340,175	27,213,022
Accr. int., etc.*	36,932,724	38,681,926
Capital stock	54,846,735	54,846,725
Working capital	26,894,657	24,260,133

*Includes interest on interest and exchange res.

NARECO GOLD MINES reports that prospectors working group of claims lying southwest of Indyke Gold Mines have discovered a mineralized zone, carrying gold values. A drill is to start work immediately on northern group where the prolific dike zone of Colomac Yellowknife Mines enters Nareco property.

TOWAGAMAC . EXPLORATION CO. advises that June 15 installment on 150,000 shares at 50 cents to Doherty, Roadhouse & Co., has not been exercised and agreement terminated for default. There are no further options outstanding.

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WASTE NOTHING SAVE FOOD SHARE WITH THE HUNGRY

Canadian Pacific SPANS THE WORLD

McTague Urges Security Business Protect Future By Adopting Program for Self-regulated Market

At the Investment Dealers Association meeting in the Thousand Islands this week, Ontario Securities Commissioner C. P. McTague made an appeal for self-regulation instead of government regulation of securities business.

Mr. McTague's address was one of the principal topics of discussion among the individual members for the balance of the meeting. Although there was no formal expression of opinion following the speech, the opinion seemed unanimous that the IDA should co-operate wholeheartedly in working out some plan.

Earlier, in the report for the IDA's central district, Chairman J. A. Gairdner stated that, "The importance of the present negotiations between our Special Committee and Justice McTague cannot be overestimated. Justice McTague is doing an outstanding job in cleaning up the undesirable situation, which existed in the Province of Ontario, and his broad-minded approach and spirit of co-operation with the established security industry in planning the proposed new Act and Regulations, makes me most hopeful that the results will give the maximum of protection to the investing public and the minimum of obstruction to legitimate finance."

Excerpts from Mr. McTague's address follow:

It is almost two months since I proposed the organization of three associations by acts of the Legislature, namely an I.D.A., (Investment Dealers' Association), a Toronto Stock Exchange Association and a Security Dealers' Association. I also proposed a new Securities Act which would provide for representation in its administration of representatives from the governing body of each of the three Associations. I shall not go further into details of that plan except to say that I pointed out that there was an overlapping and that some member houses of the I.D.A., were engaging in the Security Dealers' business and that some member houses of the exchange were doing the same and that in so far as that business was concerned they would have to participate and be a part of the Security Dealers Association.

It has been my hope that both the I.D.A., and the Stock Exchange members would participate and add strength and balance to any Security Dealers' Association and thus assure a strong and constructive organization right across the "Street" and participate in the general government of the "street" as a whole.

It devolves upon me to demonstrate that that is a very definite and important interest of the I.D.A.

In the first place your business depends on public confidence. You in your own particular business may think you will continue to enjoy that confidence no matter what goes on in financial circles on the rest of the "street." I give you my assurance based on the mail I receive daily that such is not the case.

The investor who is involved in a securities transaction where he has been defrauded or has been sold by high-pressure methods loses confidence in the "street" as a whole, including that portion of it belonging to the I.D.A.

The average investor makes no distinction. His reaction is that he was burned on Bay Street and he does not propose to be burned again. I am so satisfied that is the case that I say to you that failure to appreciate this very homely proposition is like to the ostrich which buries his head in the sand.

Secondly, why are you stipulating right now that your circulars are not to be construed as offerings in the United States?

Because of the qualification requirements and the delay, some people immediately place the whole blame on the S.E.C., and the various securities commissions. That is by no means the whole story. Can you blame the S.E.C., and the securities commissions when they have been experiencing wholesale and deliberate violations of their security laws by a small coterie of Bay Street Security Dealers? Place yourselves in the position of the S.E.C. and the other Security Commissions and tell me whether you would be anxious to qualify Canadian issues without long and careful scrutiny.

A comparatively small number of Bay Street operators can go a long way to retard a broad flow of capital between the two countries and I suggest to you that is your business in a practical way to a greater extent than it is mine.

That is a situation that can only be solved on a give-and-take basis and an illegal aggressor or his representative is in a poor position to attempt the solution of problems which are in their nature mutual. There once again you find your own particular situation affected by what goes on in another part of Bay Street.

Then let us examine the situation from the very practical viewpoint of the cost of doing business. As the Securities Act is now, you are brokers. Any one is a broker who offers securities to the public. It makes no difference whether he is a member of the I.D.A., or a member of the Stock Exchange or a member of neither.

It does not matter that your Association has its membership fees, its annual fees, requires its members to carry insurance and submit to audits. You must furnish the Security Commission with an annual fee and a bond the same as any other so-called broker. And why? In the main to furnish the cost of policing that part of the "street" which is unorganized or very loosely organized at the present time.

I think I can assure you that if you will participate in the government of the "street" together with all others engaged in the sale of securities, your cost of doing business will be cut substantially.

If you leave the job solely to the Ontario Securities Commission on the basis of legislation of the type which has been in force since 1931, your cost of doing business will inevitably be substantially increased as time goes on, no matter what efficiency or lack of it is brought to the job. I think you can read between the lines on that one in other directions than merely the matter of the cost of doing business.

The whole trend is in the direction of a government agency deciding what is going to be put in your constitution and in your by-laws and taking away what self-government you already possess, unless it is crystallized by legislation.

Times have changed since you framed your excellent constitution on a voluntary and most commendable basis. Today it needs the sanction of legislation as far as Ontario is concerned.

I am quite aware that your association is a Dominion-wide one. I am limiting my proposals to your central district, Ontario. I have examined your constitution and see no obstacle in the way to obtaining legislation for the Central District. That is all I am interested in. You have in that district a legislative committee specifically set up to examine into legislation affecting your Association directly or indirectly. My suggestion is that the time has arrived when you should be considering legislation for yourselves and also legislation which will provide representation for you on the overriding body governing the whole security business in Ontario.

Toronto Exchange Supports McTague

Referring to Mr. McTague's plans for self-policing by the brokers, Mr. J. B. White, president of the Toronto Stock Exchange, told the annual meeting "The managing committee is endeavoring to co-operate to the fullest extent with Mr. McTague in his proposals and members will be called into consultation as soon as the plans have progressed a little farther. The aim is to provide measures which will remove once and for all the unsavory methods in some quarters, which in the past have brought unfavorable criticism against the whole financial community."

The incorporation of a member firm is also being studied by the managing committee as a result of the problem of taxation, Mr. White revealed. "It has already been discussed informally with the Ontario Securities Commission and it may well be that a special meeting of members will be called in the near future to consider the matter," Mr. White stated.

The entire managing committee was re-elected by acclamation at the meeting.

K. C. DOWSLEY

has been appointed sales manager of the Parmenter & Bulloch Co., Gananoque, Ont.

Wingait 38 Gets Ore In Deep Test

Best value in drilling campaign to date was pulled by Wingait Gold Mines in hole 38, which gave 22.5 ft. of core averaging $9.50 at from 685 to 707.5 ft. This deep hole was put down 100 ft. east of the Wasa Lake boundary and, according to Engineer D. M. Giachino, visible gold was noted at 663.5, 670.2, 685.4 and from 700.7 to 701.2 ft.

Hole 38 was sited from same location as No. 19, but was drilled at a steeper angle and cut the zone about 140 ft. down the dip from the intersection in No. 19, which included $13.93 over 5 ft. and $15.40 over 10 ft. The hole is being continued if possible, through the Wasa shear zone.

Modern Tool Stock Quickly at Premium

Participation in one of Canada's wartime expanded enterprises, Modern Tool Works Ltd., Toronto, Ont., was offered last week by Fry & Co. A heavy oversubscription to the 30,000 no par value common shares offered at $6.75 as a speculation was reported with the stock soon quoted $7⅜ bid 8¼ asked.

Capitalization consists of $300,000 first mortgage, 4%, bonds due June 15, 1947-58 ($25,000 a year) which were sold privately by Fry & Co. at par and 100,000 no par value common shares. The $30,000 shares offered were acquired from Mr. Barker and Mr. Thorne so that proceeds are not received by the company.

Earnings average 39c. including or 43c. excluding refundable EPT for the six years from 1940 to 1945 inclusive. For the first four months of 1946 a net profit of $46,756 is shown. ($37,496 for the whole of 1945). No dividend was paid in the past 5 years although President Barker hopes that profits will mean dividends in the fairly near future.

New Bond Plan Sandwich East

Sandwich East Debenture Holders' Committee has written holders recommending a new reorganization plan. This plan has been approved by the Ontario Department of Municipal Affairs and by the Township Council but, in order to become effective, requires approval of holders of at least two thirds in value of the debt dealt with.

Under the plan, the present debentures and certificates of indebtedness are to be exchanged for new 2% debentures, to be dated Dec. 31, 1945 and to mature Dec. 31, 1985, of the same principal amount. Only exception is $3,300 school debentures issued in 1941 which are not affected by the plan.

The township is to raise $45,000 in each year for debt service. New debentures are to be callable at par and accrued interest on 30 days' notice.

Formerly under an interim plan ratified in 1940, maturity of debentures due prior to Nov. 20, 1944, were extended to that date and holders received payment of interest at the rate of ¾ of 1% per year.

Sandwich East bonds are currently quoted $65½ bid to $67½ asked.

Particulars of the plan together with forms of approval may be obtained from F. W. Cline, secretary, Sandwich East Debenture Holders' Committee, 302 Bay St., Toronto, Ont.

GOODYEAR TIRE & RUBBER CO. OF CANADA shareholders approved refunding all 5% preferred shares, par $50, with a 4% preferred issue, par $50, at a special meeting this week. The 40,000 unissued 5% preferred shares will be reclassified as 4% preferred and an additional 120,000 shares of 4% preferred will be created. Part of the new issue will be sold to replace the outstanding 109,162 5% preferred shares. Present preferred shareholders are expected to be given preference in purchasing the new stock.

One Man with a Telephone Operates 29 Shipping Lines

(Continued from page 17)

lakes and I have to give orders to their crews and see that they're carried out. Now they're wanting me to decide priority cargoes and any number of things, but I tell them first of all we've got to get the ships moving."

They were moving on Tuesday, with difficulties reported only at the Head of the Lakes, where there appeared to be some misunderstanding over the new order. Freight ships of 29 companies are affected by the order and the controller has absolute authority over both ships and crews. Captain Brand was hopeful that the Lakehead situation would straighten itself out in a day or so.

Wearing civilian clothes (he was retired by the Royal Navy in May when he reached his 50th birthday) Captain Brand was still unmistakeably the naval officer. It was not only the salty flavor of his conversation, which was liberally sprinkled with naval terms ("I'm standing chiefly on two clauses of the order-in-council and if they ever cut me adrift they'll sink me") but his calm, weatherbeaten face and piercing brown eyes that bore the look men have who have spent a lifetime scanning the broad reaches of the sea.

He Likes Canada

Captain Brand is solidly and saltily British, but his seven years with the RCN have made him think and feel like a Canadian. Several times, in discussing his wartime operations, he spoke of "we Canadians" and when asked about his family, he replied.

"They're in Ottawa. My wife and two little Canadians—one four and a half and the other six months. We like it here and intend to stay if we can. When this is over, I'm going to look for a job in Canada."

Unofficially, in his own private thoughts, Captain Brand has a dream for Canadian seamen.

"Nobody realizes what those fellows did for us during the war," he says. "Merchant shipping is an industry. I'd like to see it become an industry where the men take pride in their work, where conditions equal those in the most attractive industries. I'd like to see the merchant seamen on the Atlantic swap jobs occasionally with the lake men so they could see their families once in a while and so the lake men could get a better perspective on shipping and what it means."

Shareholders Approve National Hosiery Split

National Hosiery Mills' shareholders at a special meeting approved subdivision of each common share outstanding into one class "A" share and ½ class "B" share. The by-law approved also provides for cancellation of 84,329 unissued 5½% preferred shares of $5 par, and 18,014 unissued common shares.

The class "A" shares will be entitled to a fixed preferential cumulative dividend of 60c. a year, accruing from July 1, 1946.

Commercial Life Assurance Co. reports the best year in its history in 1945. Assets on Dec. 31 were over $4 millions, a gain of 17.87%, the 28th consecutive increase, the company has shown. Insurance in force rose almost 11% to over $16.6 millions. Total income for the year also was higher, the company's cash income as always, being more than sufficient to meet all cash requirements. Investment income from interest, dividends and rents was lower, due to the company switching from higher to lower interest investments. The expense on the new investments is stated to be substantially less than on the older higher interest-earning securities. Policy payments during the year were substantially higher. The company in its annual balance sheet shows policyholders surplus of $504,262 (including capital stock) over and above the actuarial reserves.

Important items in the report with comparisons follow.

	1945 $	1944 $
Insurance in force	16,629,363	15,003,305
New insurance	3,724,000	3,714,000
Total receipts	761,519	653,870
Premiums	512,160	424,790
Inv. income	136,238	144,997
Policy payments	263,182	227,001
Divds. to sh'holders .	7,365	7,344
Total assets	4,053,813	3,439,148
Liabs. to p'holders inc. actuarial res. ..	3,389,437	3,074,092
Liabs. to sh'holders ..	148,480	148,480
Other liabs.	387,227	106,279
Net surplus	128,669	110,297
Int. earned	3.98%	4.35%

CROWN-DOMINION OIL CO. 1945 net operating profit was up 12.5% at $20,024. Revenue totalled $1,404,567, out of which $1,110,947 was paid as cost of sales and $273,597 as other expenses.

Sales expanded considerably the latter part of the year with removal of gasoline rationing and other restrictions. The company is planning an expansion in number of retail outlets in the early future.

MacMillan Export Is to Be Manager B. C. Forest Prod.

H. R. MacMillan Export Co. has been retained to manage British Columbia Forest Products Ltd. and to handle the sale of its products on a fee basis, E. P. Taylor, president of the latter firm, announces.

The arrangement should prove to the mutual advantage of both companies, Mr. Taylor said. Under the arrangement British Columbia Forest Products Ltd. obtains the benefit of the highly specialized knowledge and experience of the directors of H. R. MacMillan Export Co. in all phases of logging, lumbering and manufacture of forest products, and the benefit of a world-wide selling organization, Mr. Taylor states. Certain sales in the domestic market and all export sales will be handled by the MacMillan Co.

Neither H. R. MacMillan Export Co. nor any of its directors, Mr. Taylor adds, has any interest in the ownership of British Columbia Forest Products, either directly or indirectly.

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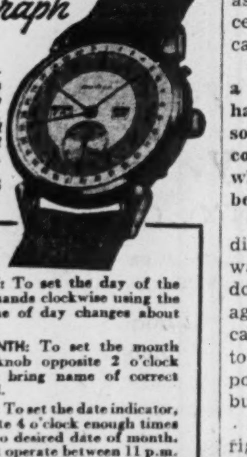

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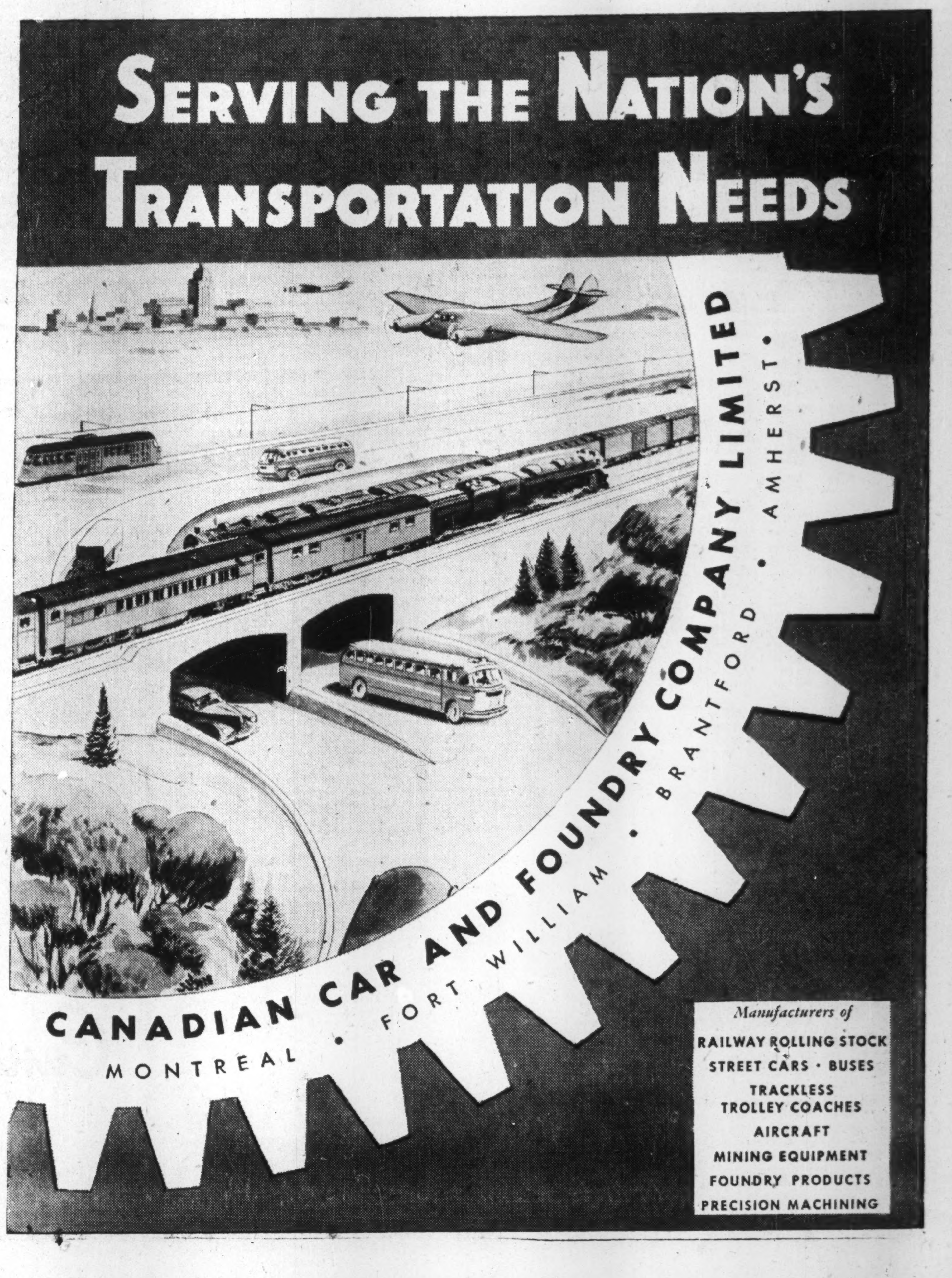

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Lake Shore Could Expand Nth., Sth. If Adequate Labor Force On Hand

If adequate manpower were available—and if reasonable costs were assured—Lake Shore Mines might find it feasible to mine ore over a width greater than the present, The Financial Post learns.

If the far north and far south veins could be established as workable veins on various horizons, much would be added to the ore resources of the mine. The main north and main south veins usually lie 300 to 500 ft. apart. The further north vein lies 2,000 ft. north of the north vein; the new south vein 800 ft. south of the south vein (at the 800-ft. horizon).

The north showing, which links in with an occurrence of Wright-Hargreaves, has already been mined quite extensively at its eastern end. The south vein apparently links in with an occurrence on Teck Hughes Gold Mines. There is a free exchange of information between Lake Shore and its neighbors, which is being found mutually advantageous. Work is being done east on the 5,800 level at present, in the program of opening at depth.

Although Lake Shore has the reputation of paying top wages in the gold mining industry, it has been found difficult to maintain the entire gain realized in labor force recently. Possibly 30 men have been lost. This, combined with the period of summer holidays, is creating the usual difficulty of maintaining operations in the summertime.

There has been no need of a conciliation board at Lake Shore Mines, it is stated, (there has been a board at Kirkland Lake). The company's agreement with the local of the International Union of Mine, Mill and Smelter Workers (C.I.O.) does not come up for renewal until Sept. 15.

The great need at Lake Shore at the moment is labor. Until a greater supply is forthcoming ability of the management to lay plans for future growth is definitely limited.

Shaft Sinking Starts At Obalski Property

Shaft dewatering has been completed and sinking is under way on a three-shift basis at the Chicougamau property of Obalski (1945) Ltd. President J. R. Giroux says a large crew is engaged on building the Government road into the area and that work is progressing rapidly, with an additional 20 miles expected to be completed about July 1.

Directors are to meet soon to discuss plans for enlarging exploration program while sinking is in progress.

OIL PRODUCTION

Imperial Oil Drilling Central Alberta Plains

From Our Own Correspondent

CALGARY — Imperial Oil has staked and commenced operations at two new ventures on the Central Alberta Plains. Imperial-Duvernay No. 2 has been staked in L.S.D. 11 29-55-12w4th, on the North Central Plains about five miles west of the Imperial-Duvernay No. 1, abandoned this week at 2,798 ft.; after completing in the Devonian lime. Rig from the No. 1 well is being used.

Imperial-Kinsella No. 18 has been staked in L.S.D. 11 27-45-10w4th, around five miles west of the Imperial-Kinsella No. 14, abandoned last week at 2,048 ft. after obtaining considerable gas plus salt water in upper member of the Viking sand and a good showing of 30-32 API oil in a lower member of the Viking. (Efforts to isolate the oil-bearing sand from the overlying gas and water were not successful). Rig from the No. 14 is being used.

* * *

Shell Well Starts

Shell Oil Co. of Canada is starting its initial venture on extensive (over 600,000 acres) oil and gas reservations on the Central Alberta Plains. The new test will be in the NW 10 acres of L.S.D. 14 32-54-9w4th, around 2½ miles south and east of the Fribourg post office, about 3 miles south of the North Saskatchewan River and the same distance north of the C.P.R. line from Edmonton to Lloydminster. The Shell site is around 15 miles southeast of the Imperial-Duvernay venture, and around 30 miles southwest of the Anglo Canadian-Home-C. & E. Elk Point venture, other current operations in this North Central Plains area.

* * *

Edgerton Stakes Site

Edgerton Oils—W. G. DeKoch interests have staked site and started work on a new drill-test in the Edgerton area, on the central Alberta plains. The new venture is Edgerton No. 4, in L.S.D. 10 18-43-4w4th, quarter of a mile west of Edgerton No. 3, drilled in July, 1945 to 2,462 ft., and suspended with drill-pipe stuck. Contractor K. & K. Drilling Co.* is now installing light rotary equipment at the new site.

* * *

Nitro Results Soon

Oil Well Reflow Ltd's Westflank No. 2 well, scene of a 5,000 quart nitro-glycerine explosion in the Madison limestone last Feb. 4, has drilled out the blast-formed bridge to 6,570 ft. 9in., 1 ft. below the shoe of the 6-⅝ in. string of casing. The operation, under way with rotary tools for several weeks, progressed as little as 6 in. per day as the bit ground against steel and other metal debris blasted into a solid bridge by the explosion. Indicating that big part of the job is over, the bit tore through about 10 ft. in the last 24 hours of drilling to current depth. The crew is now making final preparations before pounding through balance of the bridge with cable tool bit—and the answer on results of the world's largest oilwell nitro explosion. It was expected that crew would be ready to drill in for the answer this week.

* * *

Bata Hits Gas

Bata Petroleums No. 15, Vera-Unity area wildcat in L.S.D. 13, 13-41-24w3rd, indicated commercial gas production from the Viking sand last week. With bottom at 1,637 ft., in the Viking, and Packer set at 1,596 ft., gas flow was measured at 458,000 cu. ft. daily rate despite fact leaking Packer let in 300 ft. column of rotary mud, and Packer failed after 7 minutes. (Actual potential is probably substantially greater than the rate shown in test). On June 21 the well was coring at 2,021 ft. for the Unity Sand.

Oil License Required For Sask. Drill Test

Saskatchewan's oil and gas wells regulations have been amended to provide that drilling operations may not be begun or continued in the province until an authorized license has been obtained.

Applications for licenses must be made to the Supervisor of Mines, with a statement of qualifications and previous experience of the person who will supervise actual drilling operations.

Application must contain a description of location with complete information as to purpose of drilling, depth to which it is intended to drill and any other information that may be required by the supervisor. Applicant is required to provide a map showing exact location and proof that he has legal right, in respect to both surface and mineral rights, to commence operations. The license fee has been set at $10, said Mr. Phelps.

A license may be cancelled or suspended in cases where the holder has not complied with provisions as laid down in the regulations.

YUKON CONSOLIDATED GOLD CORP. mined 2,682,743 cubic yds. of gravel at a cost of 2.79 cents per yd. in 1945, as against 4,348,874 cubic yds. at 13.75 cents in 1944. Increase yardage costs in 1945 were reported well within the average value of proved reserves. Gravel reserves were estimated at 109,328,933 cubic yds. containing $39,307,949 ($35 gold) at Dec. 31. The above figures do not include ground being worked by dredge No. 4 on Bonanza Creek, estimated at 34,424,188 cubic yds. Net profit for the year, before providing for amortization of mining claims, etc., was $105,978.

Ontario Nickel Cuts Commercial Values

Commercial nickel-copper ore values across "good" widths have been secured in current drilling at the Moose Lake, Sudbury property of Ontario Nickel Mines, The Financial Post is informed. Ten holes completed in No. 1 ore body, below the 250-ft. horizon, have returned values up to 2.33% nickel and 0.86% copper across widths up to 66 ft.

Sufficient funds have been provided, or arranged for, to wipe out approximately $145,000 in 3% 1st mortgage bonds, some $44,000 in option payments against the property and to provide working capital to finance an extensive underground development program.

Two drilling rigs have been in continuous operation since last February—one underground at the No. 1 ore body and the other probing northern section of the property, a distance of 1,400 to 2,200 ft. north of the No. 1 ore body.

Underground drilling began at the north end of the ore body where hole U 17 gave 0.39% nickel and 0.23% copper from 75 to 82.5 ft.; hole U 18, 100 ft. south, gave 7.5 ft. assaying 1.72% nickel and 0.34% copper at from 85 to 92.5 ft.; hole U 19, at a point 50 ft. south of U 18, returned 4.8 ft. of core grading 1.98% nickel and 0.48% copper; 31 ft. gave 1.22% nickel and 0.86% copper. Best section in U 20, being 50 ft. south of U 18, was 10 ft. assaying 1.52% nickel and 0.59% copper.

Hole U 21 was drilled 100 ft. south of U 19 and U 20 returning 7.5 ft. of core grading 0.57% nickel and 0.10% copper. Best width in U 23, put down under U 19 and U 20, was 55 ft. assaying 0.36% nickel and 0.08% copper. Hole U 24 returned a 12.1-ft. section averaging 3.98% nickel and 1.15% copper in test 50 ft. south of U 21. Several other sections gave low values across widths ranging from 7.5 to 31.6 ft.

Drill hole U 25 returned the broadest section in the entire program giving a 66-ft. section grading 2.33% nickel and 0.86% copper at depth of 119 to 185 ft. Holes U 26, 27 and 28 all returned several sections ranging from a low of 0.44% nickel to as high as 4.05% nickel across widths of from 4 to 37.5 ft.

A total of 16 holes was completed on the northern section of the property returning ore grade sections from 1 to 32.5 ft. in eight holes. Remaining holes showed wide sections of up to 5% sulphide mineralization, the company states.

S. J. Kidder, consulting engineer, has laid out an aggressive development program including widening of the present 2-compartment shaft to 3-compartment and carrying out deeper drilling on the known extent of No. 1 ore body. A drift is being driven in the hanging wall of the ore body on 250-ft. level to provide a diamond drilling station in order to drill south below Moose Lake.

Finances are being provided by Clair Agency, Ltd., Toronto, who have taken down 500,000 shares for $200,000 and have optioned 578,000 shares, balance of treasury, at prices ranging from 50 cents to $1 per share.

Officers and directors are T. J. Day, president; J. H. Adams, vice-president; F. G. McPeak, secretary-treasurer; G. E. Buchanan and Major-Gen. G. E. McCuaig.

Kirkland-Lightning R. Road Still Seen as a Possibility

Will a new mining road be put through from Kirkland Lake to Lightning River besides the one now being put through east from Matheson?

Hon. Leslie Frost, Ontario's Minister of Mines, told a Kirkland Lake audience last week that he didn't think such a road would be a big job and that no doubt such a road could be expected "in due course." The road east from Matheson had been decided on as better meeting immediate requirements of the situation.

He told the audience how the Matheson road, and the one into Red Lake, were important priority jobs, part of a great highway program, costing many millions, being undertaken this year.

The Ontario Government is continuing its program of appointing resident geologists for all the great Ontario mining camps and the program of geological mapping is being extended.

Mining municipalities such as Kirkland Lake have benefitted from Ontario's increased expenditures on education, Mr. Frost indicated.

Still further assistance for mining areas may be expected when Ontario reaches an agreement with the Dominion as to future financial arrangements. The speaker voiced optimism that an agreement would be reached which would give Ontario "the taxes that are coming to us."

Bralorne Passes Quarterly Divd.

In order to cope with any emergency—possible strike action—and to conserve resources, Bralorne Mines has decided to pass the July quarterly dividend of 20 cents a share.

Negotiations are in progress with local 271 of the International Union of Mine, Mill and Smelter Workers, President Austin C. Taylor, states. It is estimated that if the Union's demands were granted, it would increase Bralorne's wage cost by 50% and reduce ore reserves by approximately 20%, consisting of marginal ore which under present costs it is profitable to mine and mill, he pointed out.

BUFFALO CANADIAN GOLD MINES acquired an interest in 30 mining claims in Tiblemont twp., Que., in 1945 and then disposed of the property to newly incorporated Tiblemont Goldfields Ltd. Company and Prospectors Airways Co. are participating in its financing.

Some prospecting was conducted in Villebon twp., Que., where further work is planned this year. Since end of 1945 Montmagny properties in Rouyn and Beauchastel twps., Que., have been transferred to subject company and application has been made to surrender the Montmagny charter. No work is planned for these claims at present.

Current assets were $33,273 and liabilities $3,943, as at Dec. 31. Shares in other mining companies were valued at cost of $109,295.

BONVILLE GOLD MINES completed a total of 18,246 ft. of diamond drilling in year ended March 31. T. Koulomzine, consulting engineer, states that though numerous gold values were found in drilling, results were short of expectation, as old channel sampling of the different veins opened up in trenches gave better values. It is difficult to determine at present the reason for the discrepancy between surface sampling and drilling results, he stated. Drilling and surface work are continuing. Current assets were $44,234 and liabilities $2,570, as at March 31.

THOMPSON-LUNDMARK GOLD MINES has sold 431,500 shares of capital stock. By April 25 agreement with Consolidated Mining & Smelting Co. of Canada and Ventures Ltd., 407,445 shares have been allotted to Smelters and 92,555 shares to Ventures Ltd., these shares to be issued in full settlement for disbursements made on company's property. Issued capital—3,893,651 shares.

AUMAQUE GOLD MINES reports that underground work to date has not encountered any large commercial ore shoots. Consulting Engineer J. H. Norrie points out, however, that many encouraging short sections of ore grade material have been cut in drifts on both the 250 and 500-ft. levels.

The "A" break on 250-ft. level is strong in both east and west drifts, but there is less quartz and mineralization than on the 5th level and gold values obtained are not continuous, and no commercial ore shoots have been developed on this level, Mr. Norrie states.

The "C" break on 500-ft. level is not as strong as the "A" break and has petered out in the west drift, although it may come in again. In east drift it is still quite strong and the last round taken in this drift showed fairly heavy chalcopyrite and pyrite mineralization in tension cracks leading from it, Mr. Norrie reports. No work has been done on "C" break on 2nd level.

Current assets were $885,994 and liabilities $33,045, as at March 31.

PARAMAQUE MINES has received payment covering June 6 underwriting installment on 50,000 shares at 12½ cents. An additional 5,000 shares were taken up last December at 20 cents. Issued capital—2,026,705 shares.

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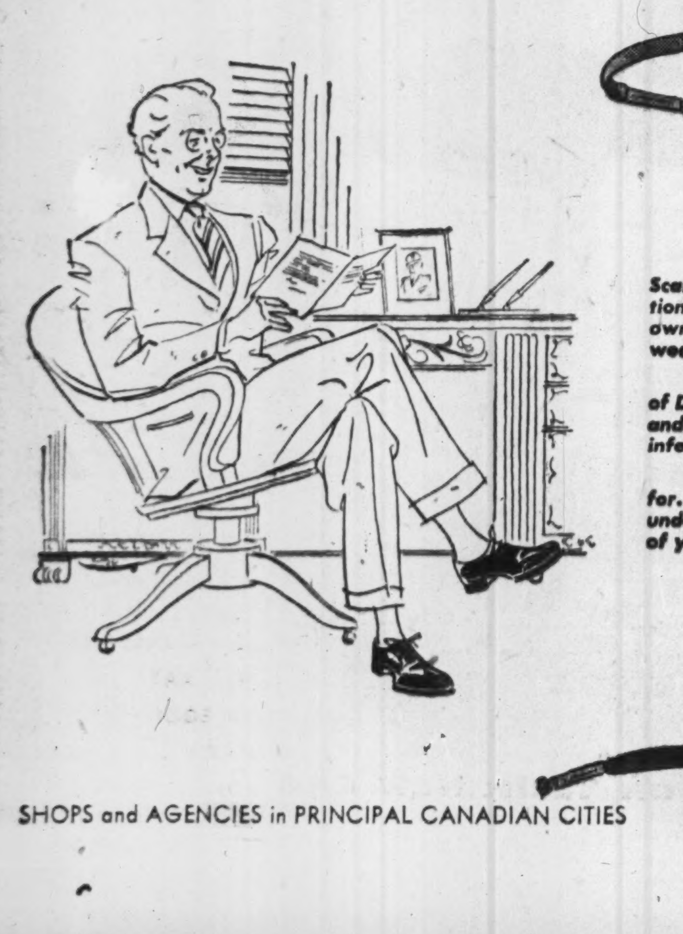

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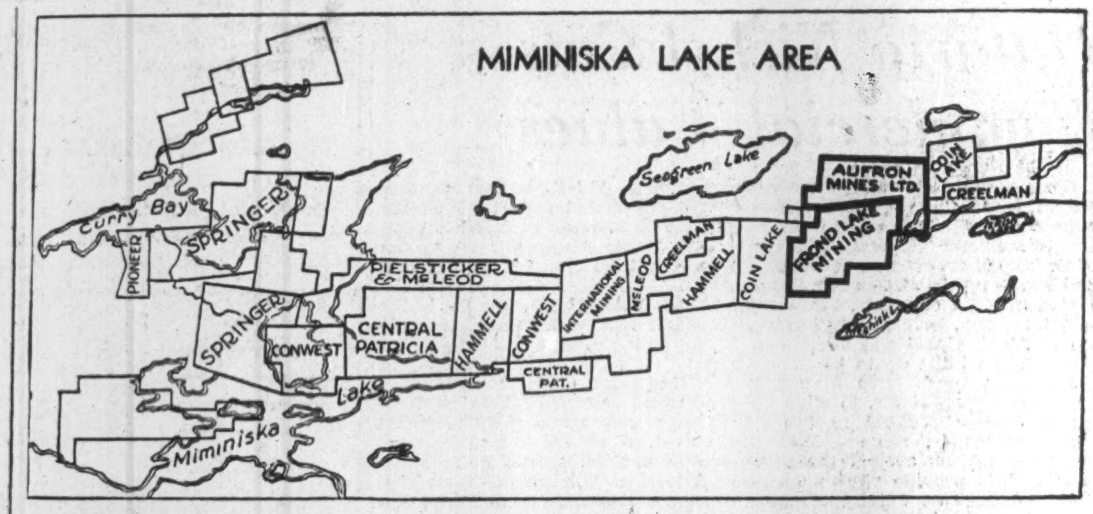


Frond Lake-Aufron Mines Heads Development at Miminiska Lake

Development of the Miminiska Lake area is centring around the properties of Frond Lake Mining Co., and Aufron Mines, although the Carl Pielsticker controlled Canusa Exploration & Development Co. ground is under engineer-examination. The Frond Lake-Aufron properties adjoin in the northeast sector of this area which is located to the east of Pickle Lake-Crow River and north of O'Sullivan Lake, Patricia district, Ont.

Frond Lake, the Central Patricia-Conwest controlled company, has already located two parallel zones through diamond drilling and surface work with values of a sufficiently encouraging nature to warrant an early start in underground development. The initial step will be construction of an 80-mile winter road into the property from railhead.

Heavy Drill Starts

Frond Lake management has sent in heavy drilling equipment to test at greater depth the extension of values secured to 75-ft. depth. Work has been temporarily delayed due to spring break-up. Earlier this year and in 1944, the company put down a series of holes at 50-ft. intervals across the south zone, indicating a number of ore shoots for a reported length of 605 ft. across a width of 4.7 ft. and an average grade of 0.38 oz. Another 196 ft. returned 0.22 oz. over width of 4.2 ft.

A parallel zone, described as the north zone, lies 200 ft. north with four holes drilled over a length of 700 ft. cutting similar values and widths. Plans are in hand to test this zone at closer intervals and to probe the south zone at greater depth. Central Patricia Gold Mines and Conwest Mines hold joint options on 1,499,995 shares at prices ranging from 10 to 35 cents a share, having taken down 100,000 shares at 10 cents and another block of 100,000 shares due for expenditures made recently.

Aufron Speeds Work

Aufron Mines holds 18 claims adjoining Frond Lake to the north and has just sent in another crew to carry out systematic surface work. Several drill holes were completed last year, but no values were secured. In the meantime original crew is being utilized in shallow drilling unexplored but favorable sections of the large acreage. Adequate funds are reported available to finance contemplated work with additional working capital to be made available under terms of an option agreement to Federal Trading & Agency Co.

International Mining Corp. (Canada) holds a sizeable group where geophysical surveying and surface exploration was followed by preliminary diamond drilling. Some gold values were secured. Company officials were unable to report on development plans for this season.

Leta Exploration holds an unpatented group where only assessment work has been carried out. Work has not been resumed so far this year.

Engineer Examines Canusa

Carl Pielsticker's Canusa Exploration & Development Co. owns a group of 37 claims some distance west of the Frond Lake property. An engineer is on the property preparing a report which is expected to have an important bearing on future development plans.

Dome Exploration Co. completed considerable preliminary development of a group in the area, but turned back the property to its original prospectors. Dome still retains a block of claims at Reserve Lake some 30 miles east of Miminiska.

Coin Lake Gold Mines, the Connell interests and other mining groups have carried out at least preliminary work on claims in the district.

Some changes have taken place in ownership of properties shown in the accompanying map. The Hammell interests dropped their option on two groups, while the Pielsticker-McLeod group is now known as Canusa Exploration & Development Co.

Sherritt's Nickel-Copper Ore Bodies Are Extended

Enlargement and extension of Lynn Lake, Man., nickel-copper ore bodies continue with announcement of latest drilling results from Sherritt Gordon Mines officials. The "Lower A" ore body, underlying the original "A" anomaly, has returned greater thickness than previously found in initial drill tests.

President and Managing Director Eldon L. Brown, reporting up-to-date results, states:

"Drill Hole 59, previously reported at 151 ft. averaging 2.41% nickel and 0.80% copper, has been extended to 541.7 ft., averaging 1.63% nickel and 0.63% copper. The intersection is from 274 to 520 ft. Hole 34, located 100 ft. east of hole 48 and 100 ft. north of hole 55, was stopped in ore at a depth of 946.7 ft. owing to inability of drill to go any deeper. From 405 ft. to 946.7 ft., a distance of 541.7 ft., this hole averaged 1,63% nickel and 0.79% copper.

"Two additional holes in the original 'A' anomaly returned the following assays: hole 64, located 50 ft. west of 62 and 100 ft. north of hole 7, averaged 0.77% nickel and 0.33% copper from 18 to 81 ft.; hole 67, located 50 ft. west of hole 56 and 100 ft. north of hole 2, averaged 0.97% nickel and 0.50% copper from 455.5 to 501 ft.

"Hole 65, 100 ft. north of 63 in the 'E' anomaly was drilled to the west at an agle of 45 degrees and assayed 0.66% nickel and 0.27% copper from 280 to 369 ft.

MINING CONCENTRATES

BEAULIEU YELLOWKNIFE MINES has received payment covering an additional 40,000 shares at 50 cents a share. Issued capital—2,290,005 shares.

* * *

CAMPBELL RED LAKE MINES has received payment covering 100,000 shares at 42½ cents and 100,000 shares at 45 cents. Issued capital—2,700,005 shares.

* * *

DESTORADA MINES reports diamond drilling to cross-section the property by drilling to explore various fault zones which are known to traverse the property from east to west. Company has entered into a new contract for a further 5,000 ft. of drilling.

* * *

ELDER GOLD MINES has received payment of 50,000 shares at 75c. Issued capital—3,855,005 shares.

* * *

HALCROW SWAYZE MINING CO. has not exercised April 30 option installment of $5,000 and balance of agreement has been terminated for default. There are no further options outstanding.

* * *

HALDEN RED LAKE GOLD MINES signed a contract for 2,000 ft. of drilling with first hole completed as a structural guide. Four mineralized shear zones were reported cut across widths varying from 6 ft. to 15 ft. alongside more or less massive diorite. X-ray drilling is to be followed by deeper work with a heavy-duty drill. A crew is building camps and ample funds are reported assured for exploration.

* * *

INTERNATIONAL URANIUM MINING CO. says in 1945 report that there are approximately 9,940 tons of mill tailings from former operations which company engineers advise contain approximately 300,000 oz. of silver and 16,000 lb. of uranium ore. High-grade pitchblende was reported found in the dump. A total of 15,000 ft. of drilling was completed. High-grade silver and radio-active intersections were reported secured. Plans for 1946 are as follows: Dewater the shaft; complete underground detailed geological study; do appro. 1,400 ft. of drifting and cross-cutting on 2nd level to develop silver intersections secured in drilling; diamond drill from underground to explore parallel zones. Current assets were $433,255 and current liabilities totalled $27,428, as at Dec. 31.

* * *

LAREVA GOLD MINES says that buildings are being rehabilitated in preparation for active development. Lewis A. Dunham, consulting engineer, recommends that proposed diamond drilling be undertaken before dewatering 210-ft. shaft and starting underground work.

* * *

ROUYN MERGER GOLD MINES has received payment covering June 15 underwriting installment of $50,000 on 125,000 shares. Issued capital—1,710,007 shares.

Senate Resources Committee Recommends Mining Tax Aid

The fourth report of the Senate Standing Committee on Natural Resources, recommends fairly widespread relief for new producing mining companies to include taxation, depletion and depreciation. The Committee asks for a three-year tax exemption period, a 50% rate applicable for the 4th and 5th years and a tax free tune-up period.

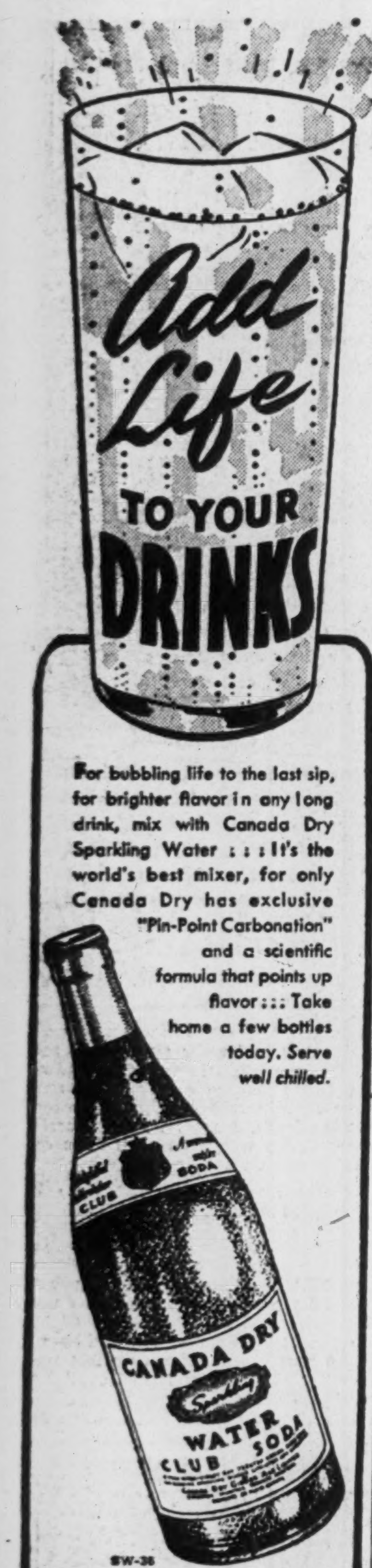
The recommendation advises in part "that the run-in or tuning-up period of six months be continued as in the past, in which no corporation income tax shall be payable, preceding commencement of production." Furthermore, "that a depletion allowance of 50% for exhaustion of the mine shall be allowed to be deducted before determining the amount which shall be subject to income."

The Committee states that present allowance of 33 1/3% is too low and that depletion allowance should be restored to 50% which was the rate of allowed prior to 1934. It also recommends a 50% depletion allowance for producing mines; and proposes that depreciation be not required during period of exemption, at a greater amount than the annual earnings of a corporation.

JASPER PORCUPINE MINES reports that second deep drill hole has reached a depth of 2,250 ft. on way to test extension of zone which is host to ore at adjoining Delnite and Aunor properties. The zone is believed to cross south boundary of the easterly Jasper claims at depth of around 1,350 ft., company reports. The first of two holes completed intersected 2 ft. of ore assaying $11.20 at 1,190 ft. and 2 ft. grading $12.60 at 1,457 ft.

GOLDORA MINES reports that holes 52, 53, 54 and 55 were all completed in the porphyry dike [illegible] in southwestern part of [illegible]. Altered and mineraliz[illegible] [illegible] with scattered quartz-ca[illegible] [illegible] tourmaline stringers [illegible] cut. Drilling is being continued with two machines under the supervision of George Dumont.

QUINTAL QUEBEC GOLD MINES advises that No. 3 drill hole has been sited at a point 800 ft. east of north-south dike which has been under current investigation. Assays are being run of first two holes where cores are reported to have shown wide zones of heavy mineralization of pyrrhotite, chalcopyrite and some galena.



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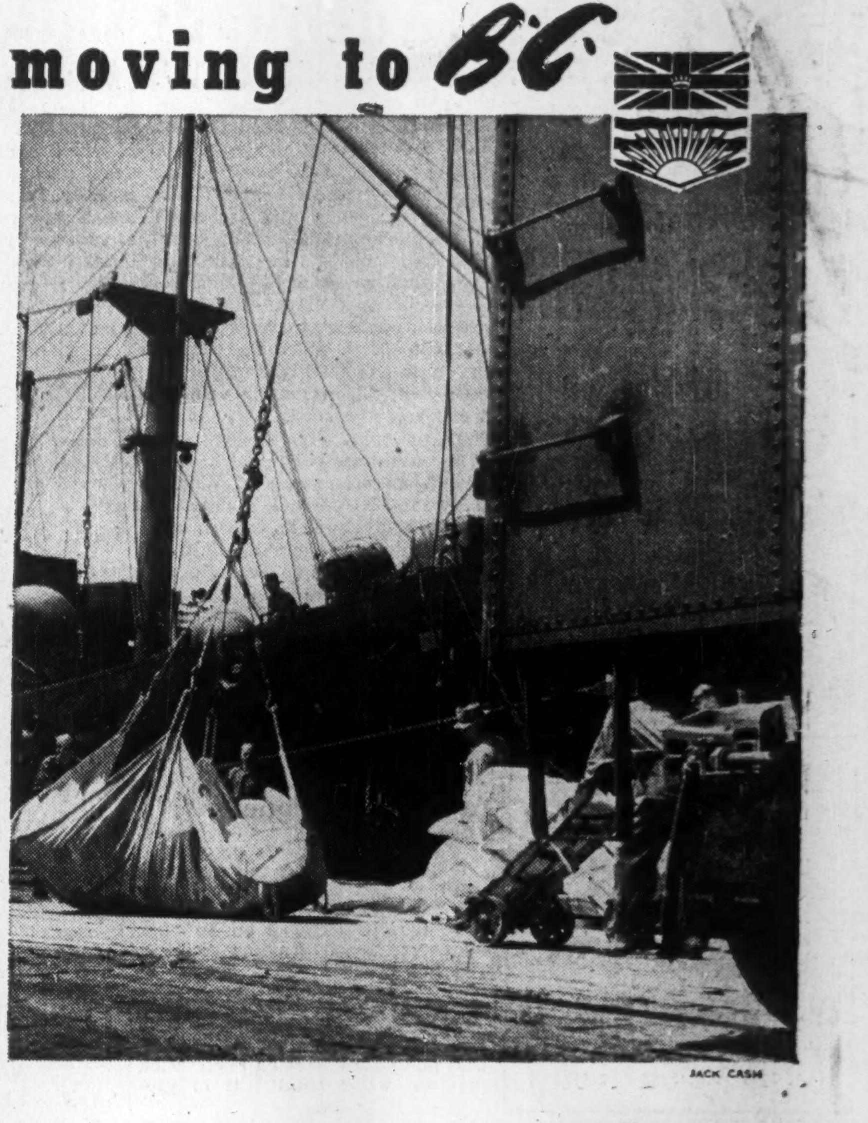

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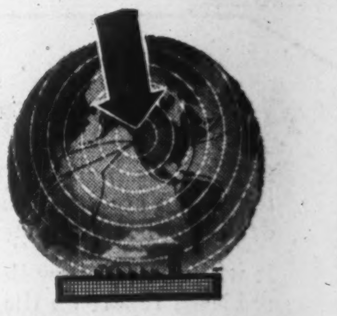

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